Economic Review

April 1982

Canada

Economic Review
April 1982

A general review of recent economic developments
presented by
The Honourable Allan J. MacEachen
Minister of Finance

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Front Cover: Light reflecting through a series of processed silicon wafers manufactured by a Canadian company. There are from 20 to 30 integrated circuits printed on each three-inch wafer, depending on the end use. Photo: Mitel

Contents

1 A General Overview of Developments in 1981 1
International Developments and Policy Environment 1
Canadian Developments and Policy Environment 2
Outline of This Year's Review 3

2 Price, Wage and Productivity Developments 7
Price Developments 7
Labour Costs 10
Relative Prices 11
The Consumer Price Index and Relative Price Changes 11
Productivity and Real Wages 12
Shares of Net National Income 16

3 Financial Developments 17
Monetary Policy in 1981 17
Short-Term Interest Rates 19
Real Interest Rates 21
Long-Term Interest Rates 21
Financial Markets in 1981 23
Non-Financial Business Sector 23
Securities Market 26
Personal Sector 28
Chartered Banks 30
Non-Bank Financial Institutions 33

4 Personal, Housing and Business Sectors 35
Sources of Income 35
Personal Expenditure 36
Expenditure, Relative Prices and Income 38
Housing Starts 39
Fixed Investment 41
Inventories 42
Business Profitability 42
Sources and Uses of Funds 44
Financial Ratios 46
Appendix: Inflation-Adjusted Savings and Disposable Income 46

5 The Labour Market 49
Labour Supply 49
Labour Demand 50
Labour Market in the Second Half of 1981 53
Work Stoppages in 1981 56

6 Sectoral and Regional Developments 59
Agriculture 59
Fishing 59
Forestry 59
Mining 59

Manufacturing 60
Construction 62
Utilities 62
Transportation, Storage and Communication 63
Trade 63
Finance, Insurance and Real Estate Services 63
Community, Business and Personal Services 63
Public Administration and Defence 63
Atlantic Region 63
Quebec 65
Ontario 67
Prairie Region 67
British Columbia 68

7 Balance of Payments 71
Current Account 71
Merchandise Trade 71
Services 77
Interest and Dividends 77
Other Services 77
Travel 77
Capital Account, Exchange Rate and International Reserves 80
Appendix: International Competitiveness 83

8 The Government Sector 87
Federal Government 87
Debt Management 91
Provincial and Local Governments 95
Canada and Quebec Pension Plans 99
Total Government Sector 100
Budget Balances 102

9 International Comparisons 105
Real Output Growth 105
Labour Markets 105
Inflation 108
Labour Productivity 108
Interest Rates and Exchange Rates 108
Balance of Payments 108
Budget Balances 109
Reference Tables 113

Tables

1.1 Summary of Real Gross National Expenditure in Canada 2
2.1 Recent Inflation in Canada and Related Factors 8
2.2 Wage and Price Inflation in Canada and the U.S. 11
2.3 Relative Price Changes 12
2.4 A Comparison of Movements in the Consumer Price Index using Different Expenditure Weights 13
2.5 A Comparison of Labour Productivity and Real Wage Changes in Canada 14
3.1 Monetary Growth and Interest Rates 19
3.2 Credit Expansion 23
3.3 Credit Expansion by Instrument 24
3.4 Private Non-Financial Business Borrowing 25
3.5 Selected Credit Measures 25
3.6 Supply of Securities and Distribution of Holdings 26
3.7 Loans to Persons 28
3.8 Mortgages 29
3.9 Chartered Bank Assets 30
3.10 Assets of Non-Bank Deposit-Accepting Institutions 31
3.11 Assets of Insurance Companies and Pension Institutions 31
4.1 Sources and Disposition of Personal Income 36
4.2 Percentage Share and Growth of Consumer Expenditure Categories 37
4.3 Estimated Elasticities for Consumer Expenditure 38
4.4 New Housing Indicators 40
4.5 New Business Capital Expenditures (Current dollars) 41
4.6 Sources and Uses of Funds of Large Industrial Corporations 44
4.7 Selected Financial Ratios of Large Industrial Corporations 45
4.8 Illustrative Inflation-Adjusted Personal Savings Rate and Growth Rate of Real Personal Disposable Income 47
5.1 Labour Force Developments 50
5.2 Composition of the Canadian Labour Force (Shares of total labour force) 51
5.3 Regional Growth Rates of Source Population, Participation Rates and the Labour Force 51
5.4 A Comparison of Cumulative Changes in Labour Market Variables in the First Six Months Following Peak Industrial Output 55
5.5 Time Perspective on Work Stoppages 56
6.1 Main Economic Indicators by Sector 61
6.2 Main Economic Indicators by Region 66
7.1 Summary of the Current Account of Canada's Balance of International Payments 72
7.2 The Trade Balance by Commodity Group and Country Group 73
7.3 Canada's Merchandise Exports (Balance of payments basis) 74
7.4 Canada's Merchandise Imports (Balance of payments basis) 75
7.5 Trade Balance in Manufactured End Products 78
7.6 Canada's Balance of International Payments 78
7.7 International Comparison of Unit Labour Costs in Manufacturing 84
8.1 Federal Government Revenue, Expenditure and Net Position (National accounts basis) 87
8.2 Federal Government Revenue (National accounts basis) 88
8.3 Federal Government Expenditure (National accounts basis) 89
8.4 Federal Government Financial Transactions (Extended national accounts presentation) 91
8.5 Outstanding Government of Canada Direct and Guaranteed Securities (Denominated in Canadian dollars) 92

8.6 Non-Bank General Public Holdings of Government of Canada Direct and Guaranteed Securities (Denominated in Canadian dollars) 93
8.7 Provincial-Local Government (Including Hospitals) Revenue, Expenditure and Net Position (National accounts basis) 94
8.8 Provincial-Local Government (Including Hospitals) Revenue (National accounts basis) 95
8.9 Provincial-Local Government (Including Hospitals) Expenditure (National accounts basis) 96
8.10 Provincial-Local Government (Including Hospitals) and Enterprise Borrowing Requirements and Financing (Financial flow accounts basis) 98
8.11 Canada and Quebec Pension Plans Revenue, Expenditure and Net Position (National accounts basis) 99
8.12 Total Government Revenue, Expenditure and Net Position (National accounts basis) 100
8.13 Total Government Revenues (National accounts basis) 101
8.14 Total Government Expenditures (National accounts basis) 101
8.15 Actual and Cyclically-Adjusted Budget Balances, Federal and Consolidated Government Sectors (National accounts basis) 102
9.1 Evolution of Selected OECD Economic Indicators 1974-81 106
9.2 Evolution of Interest Rates and Exchange Rates for the Large OECD Countries 109
9.3 Current Account Balances of OECD Countries 110
9.4 An International Comparison of Central Government Budget Balances as Percentages of Gross Domestic Product or Gross National Product 111
9.5 An International Comparison of Total Government Budget Balances as Percentages of Gross Domestic Product or Gross National Product 111

Charts

2.1 Consumer Price Index 9
2.2 Shares of Net National Income at Factor Cost (Annual per cent shares) 15
3.1 Narrowly Defined Money Supply 18
3.2 Selected Short-Term Interest Rates 20
3.3 Selected Long-Term Interest Rates 22
3.4 Yield Curves, Government of Canada Bonds 27
3.5 Financing Patterns of Non-Financial Corporations 32
4.1 Housing Starts 39
4.2 Real Business Inventories and Sales 43
5.1 Participation and Unemployment Rates 52
5.2 Index of Total Employment and Output 54
6.1 Gross Domestic Product in Constant (1971) Prices (Year-over-year per cent change) 60
6.2 Regional Unemployment Rates 64
7.1 Balance of Payments Current Account 76
7.2 Canadian Balance of International Payments 79
7.3 Official Reserves and Exchange Rates 81
7.4 Canada's Competitiveness in the Manufacturing Sector (Competitiveness Index 1970 = 100) 83
9.1 International Comparison of Real Growth, Unemployment and Productivity in 1980 and 1981 107

1. A General Overview of Developments in 1981

International Developments and Policy Environment

Stagflation, the simultaneous existence of high inflation and slow economic growth, which emerged as the dominant economic reality in the mid-1970s, continued to trouble the major industrialized countries of the western world in 1981. Growth of real gross national product (GNP) in the seven large countries[1] of the Organization for Economic Cooperation and Development (OECD) averaged 1.2 per cent, inflation as measured by the consumer price index (CPI) averaged 10.1 per cent, and the unemployment rate averaged 6.4 per cent in 1981. This compares unfavourably with average real growth of 3.3 per cent, an unemployment rate of 4.8 per cent and an inflation rate of 9.2 per cent during 1973-1979. Average economic performance during 1973-1981 showed unequivocal deterioration compared to the 1966-1972 period, when real growth in the large OECD countries averaged 4.6 per cent, unemployment 3.1 per cent and inflation 4.3 per cent.

Two factors can be identified as being the most important in contributing to this trend deterioration in the economic performance of the OECD countries: sharp increases in energy and other raw material prices and the slowdown in trend productivity growth. The world price of oil more than tripled from U.S. $3.37 per barrel in 1973 to U.S. $11.25 per barrel in 1974 and reached U.S. $35 per barrel in 1981. The all-items commodity price index, as reported by the *Economist*,[2] jumped 63 per cent in 1973, 23 per cent in 1974, 21 per cent in 1977, 22 per cent in 1979 and another 18 per cent in 1980. The index advanced almost 400 per cent during the 1971-1980 period before declining somewhat in 1981. Labour productivity, which increased more than 4 per cent a year on average in the seven large OECD countries during 1966-1972 and over 2 per cent during 1973-1979, grew by less than 1 per cent on average in 1980 and 1981.

These supply shocks, in contrast to the traditionally discussed demand shocks, create stagflation by raising prices and reducing output. This combination of effects raises difficult policy questions. Efforts to stimulate output would likely worsen inflation both in the short and long run. Policies designed to restrain the inflationary impacts of this kind of supply shock could lead to temporary declines in real output growth and increases in the unemployment rate. Different countries reacted differently to the emergence of these supply shocks during the 1970s.

The world-wide recession, which began in 1980, continued through 1981. Although the average real growth performance in the OECD countries in 1981 was quite similar to that of 1980, this similarity in average performance masks divergent trends between the North American and other OECD economies. There was a significant slowdown in economic activity in Europe and a temporary speed-up in North America in 1981. Real GNP declined a further 2.0 per cent in the United Kingdom in 1981, after declining 1.8 per cent in 1980, and declined 1.0 per cent in Germany after increasing only modestly in 1980. France, Italy and Japan registered significant slowdowns in their real GNP growth rates in 1981 on top of their already weak records in 1980. Real growth in the United States and Canada increased sharply in 1981, but was still well below historical pre-1975 average rates. In the U.S., real GNP increased 2.0 per cent in 1981 and, in Canada, the increase was 3.0 per cent. Excluding Canada and the U.S., the major OECD countries are estimated to have registered a substantial decline in their average growth rate to 0.6 per cent in 1981 from 1.7 per cent in 1980. Inflation performance in the OECD countries generally improved in 1981 as the average inflation rate for the seven large OECD countries declined to 10.1 per cent from 12.2 per cent in 1980. However, the rate of inflation accelerated significantly in Canada, mainly as a result of substantially higher domestic growth, deeply entrenched inflationary

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[1] These countries are: the United States, Japan, Germany, France, the United Kingdom, Italy and Canada.
[2] Only food and industrial materials are included in this index. Energy is not.

expectations, and the absorption of large increases in energy prices.

Fiscal and monetary policies became more restrictive in most OECD countries in 1981, contributing to the generally slow real growth. The improvement in inflation performance in 1981 can be linked to a combination of the generally restrictive anti-inflation stance of fiscal and monetary policies, weak growth in commodity and energy prices, and a deceleration in the growth of nominal wages and unit labour costs.

Many of the OECD countries have been pursuing more restrictive fiscal policies since the late 1970s because of concern over the persistence of inflationary pressures and continuing large budget deficits. These large deficits which were initially incurred, partly as a result of, and also to offset, the world-wide economic slowdown in 1975, proved difficult to reverse. This was due to persistent slow growth, which depressed revenues and tended to increase social security expenditure, and to the stubbornness of inflation which has led to sharp increases in interest rates and thus public debt charges. Efforts of OECD governments to restrain their expenditures and deficits were generally not reversed in response to the oil price shock of 1979-1980 which tended to depress real output. Rather, policy was generally tightened further both to prevent the oil price increase from feeding through into other prices and wages and intensifying inflationary pressures, and to maintain deficit and expenditure positions.

Restrictive monetary policy played a key role in the economies of the OECD countries in 1981 with monetary developments in many of the OECD countries being strongly influenced by the monetary control policy of the U.S. Federal Reserve Board. Growth in the money supply slowed significantly, leading to very large increases in nominal and real interest rates.

Canadian Developments and Policy Environment

Table 1.1 shows the growth of major components of real GNP, which advanced 3.0 per cent in 1981. The strongest element in this advance

Table 1.1
Summary of Real Gross National Expenditure in Canada

	Share of total				Percentage change			
	Average 1971-78	1979	1980	1981	Average 1971-78	1979	1980	1981
	(per cent)							
Consumer expenditure	61.4	62.4	63.0	62.2	5.6	2.0	1.0	1.7
Government expenditure[1]	22.0	20.3	20.2	20.0	3.0	– 0.3	– 0.5	2.0
Residential construction	5.2	4.2	3.8	3.7	6.0	– 7.3	– 10.6	1.4
Business investment	13.9	15.1	16.4	17.0	5.0	12.1	8.6	6.9
Non-residential construction	6.2	6.8	7.6	8.0	3.9	13.3	12.4	8.4
Machinery and equipment	7.6	8.3	8.8	9.0	6.0	11.2	5.6	5.6
Inventory change	0.7	1.5	– 0.6	0.5	747[2]	1,898[2]	– 735[2]	698[2]
Exports	23.1	24.4	24.7	24.3	4.8	2.7	1.0	1.4
Imports	(26.1)	(28.0)	(27.4)	(27.4)	6.6	6.0	– 2.2	3.1
Gross national expenditure	100.0	100.0	100.0	100.0	4.6	3.0	0.0	3.0

Note: Numbers may not add exactly due to rounding.
[1] Includes current expenditure on goods and services and capital formation.
[2] Denotes amount in millions of 1971 dollars, rather than percentage change.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

was investment, including residential construction, which grew 5.9 per cent. A significant turnaround was recorded by residential investment which, after declining continuously over the last five years, sometimes sharply, registered a modest 1.4-per-cent increase. Non-residential construction witnessed some slowing in growth relative to 1980, and investment in machinery and equipment just maintained its 1980 growth rate. However, at 8.4 and 5.6 per cent respectively, their rates of increase remained significantly above the growth rate of real GNP in 1981. Export growth picked up somewhat, though at a rate of 1.4 per cent it was still quite low. Imports increased 3.1 per cent. Real exports of goods increased more rapidly than imports of goods but, with services included, real exports increased less quickly than imports. Government current expenditure on goods and services and capital formation advanced 2.0 per cent.

One significant feature of developments in 1981 was the fact that growth was limited to the first half of the year. Real GNP advanced 1.0 per cent and 1.4 per cent in the first and second quarters respectively before declining 0.9 per cent in the third quarter and another 0.5 per cent in the fourth quarter.

The Canadian economy, like other industrialized countries of the western world, has suffered from stagflation since the mid-1970s. Real GNP, which grew an average of 5.5 per cent annually during the period 1966-1973, advanced only 2.8 per cent annually during 1974-1981. The unemployment rate, which averaged 5.0 per cent during 1966-1973, increased to 7.3 per cent during the 1974-1981 period, and stood at 7.6 per cent in 1981. At the same time that real growth performance has deteriorated, the rate of inflation has increased sharply. The rate of increase of the CPI averaged 4.3 per cent during the period 1966-1973, increased to 10.9 per cent in 1974, and declined to a low of 7.5 per cent in 1976 before reaching 12.5 per cent in 1981.

The federal government reacted to these developments in the mid-1970s by announcing a comprehensive anti-inflation policy in October 1975. Its major elements were control over the money supply with gradual reductions in its growth rate over time, restraint on the growth of government spending to keep it within the trend growth of GNP, structural policies to reduce market rigidities, and a temporary three-year program of wage and price controls.

The growth rate of the narrowly-defined money supply has been gradually reduced since 1975 in line with targets specified by the Bank of Canada. Over the course of 1981, interest rates in Canada, like those in other OECD countries, moved over a wide range and established record levels. While these interest rate movements reflected changes in the rate of inflation, they were also importantly influenced by sharp and volatile interest rate movements in the U.S. Although the Bank of Canada does not automatically follow interest rate developments in the U.S., these developments cannot be ignored and they raise a difficult trade-off problem for Canada. If high U.S. rates are not followed, the Canadian dollar depreciates, adding to inflationary pressures. Any move to follow rising U.S. rates, however, can slow economic activity.

In the area of fiscal policy, slow growth in the mid-1970s led the federal government to introduce tax reductions in 1975, 1977 and 1978. These discretionary reductions, along with the automatic effect of slow growth in reducing revenue growth and increasing social welfare payments, and the indexation of the personal tax system, led to large increases in the federal deficit. However, the persistence of inflation and inflationary expectations, and concern over the deficit, led to a reorientation of policy after 1978. Taxes have been increased somewhat and expenditures have been controlled. The federal budget deficit declined 1.4 percentage points in 1981 to 2.3 per cent of GNP.

Outline of This Year's Review

Chapter 2 provides an analysis of Canadian developments in 1981 in areas of prices, wages and productivity. The rate of inflation of the CPI accelerated until July 1981 to reach a year-over-year rate of 13.0 per cent, before decelerating to 12.1 per cent in December. Further progress in slowing the rate of inflation faces several obstacles. These include deeply entrenched inflationary expectations, continuing weakness in productivity growth, large nominal wage gains and the need to absorb large increases in energy

prices. The implicit price index of gross national expenditure (GNE-IPI) increased 10.0 per cent in 1981, somewhat less than the 10.6-per-cent increase in 1980, mainly in response to a weakening in Canada's export prices in international markets. The chapter provides an analysis of the different movements in the CPI and the implicit price index for consumer expenditure (CE-IPI), a major component of the GNE-IPI. Estimates of real wage changes are also obtained and compared with productivity growth. It is concluded that real wage changes have exceeded productivity growth during much of the 1966-1981 period. The gap between real wage and productivity growth increased significantly during the 1974-1977 period and has declined since then. Real wage gains in excess of productivity increases, or losses in real wages that are smaller than declines in productivity, generally add to inflationary pressures. Average non-COLA negotiated wage settlements — those without cost-of-living adjustment clauses — increased in 1981 to 13.4 per cent from 11.1 per cent in 1980.

Chapter 3 presents an overview of developments in financial markets during 1981. Canadian monetary policy was conducted in an environment of growing inflationary pressures in the economy. Early in the year, rapid nominal income growth — largely reflecting cost and price increases — placed upward pressure on interest rates which reached record levels. A little later in the year the Federal Reserve Board in the United States further tightened its monetary policy stance which resulted in sharply higher U.S. interest rates and a marked strengthening of the U.S. dollar on world currency markets. Canadian interest rates did not rise as quickly as those in the U.S. and the external value of the Canadian dollar began to decline as a consequence of the narrowing interest rate differential. At the same time, market sentiment moved away from the Canadian dollar in response to increased domestic takeover activity of foreign-owned assets, the federal-provincial energy dispute over energy pricing and Canada's worsening inflation performance relative to the U.S. Canadian interest rates reached record levels in August in response to downward pressure on the dollar. The easing in interest rate pressures in the U.S. in the second half of the year and a recovery in the external value of the Canadian dollar provided some scope for interest rate reductions in Canada. By the end of December key short-term interest rates in Canada were more than 650 points below their peak levels. Interest rates varied over a wide range in 1981 and, despite generally higher interest rates, there was substantial growth in the volume of funds raised in Canadian financial markets, although much of the increased activity took place in short-term credit markets as lenders appeared to be less willing to tie up funds for long periods of time. Both financial markets and the financial institutions continued to demonstrate their ability to adapt to high and volatile interest rates in 1981.

The personal, housing and business sectors are examined in Chapter 4. Real consumer spending advanced 1.7 per cent in 1981, an improvement over 1980. However, this increase lagged significantly behind the increase in real disposable income, the major determinant of consumer spending, presumably because of high real interest rates. The personal savings rate jumped to 11.6 per cent in 1981 from 10.1 per cent in 1980. The increase in the growth of personal disposable income was mainly due to large gains in investment income and in labour income, arising from both strong employment growth and a substantial increase in average wages and salaries. The chapter also includes illustrative estimates of savings rates and growth of personal disposable income adjusted for the impact of inflation on the real value of net assets. These adjusted estimates indicate a much smaller increase in the savings rate and a larger decline in the growth rate of personal disposable income during the recent inflationary period. Real residential investment in 1981 increased 1.4 per cent, the first increase since 1976. Housing starts in 1981 totalled 178,000, a 12.2-per-cent increase over 1980. Residential investment was stronger in the first half of 1981 due to strong income growth and pent-up housing demand. Real business investment in both plant and equipment advanced strongly in 1981 at rates higher than the growth rate of real GNP. Despite the downturn in the economy in the second half of 1981, real business investment remained buoyant. More permanent and structural reasons, such as development of new energy sources, partially support this strength. Large increases in business investment, combined with declines in profits, led to substantial increases in business borrowing requirements in 1981.

Chapter 5 reviews developments in the labour market, particularly in relation to the real growth performance of the Canadian economy. The labour force grew 2.7 per cent and employment 2.6 per cent. Consequently, the unemployment rate increased to 7.6 per cent from 7.5 per cent in 1980. Important shifts in the composition of the labour force occurred in 1980 and 1981. These include a decline in the share of youths in the labour force, a further increase in the share of adult females, and a changing regional distribution of labour force growth. The strength of demand and output growth led to strong employment growth in the first half of 1981. This was followed by a sharp reversal of both output and employment in the second half of the year. In both Canada and the U.S. the incidence of labour hoarding in the current recession appears significantly less than in the early stages of previous recessions. The chapter concludes with a discussion of work stoppages in Canada in 1981.

The relatively strong growth in economic activity in the first half of 1981, and the subsequent downturn in the second half, were fairly widespread among the major sectors and the main economic regions of the country as discussed in Chapter 6. For the year as a whole, real output increased in all major sectors except forestry and mining with the strongest growth occurring in fishing, agriculture and construction. Among regions, growth in real output is estimated to have been the strongest in the Prairie region, reflecting both the continuation of the energy boom and sharply increased grain crops. Real growth in Ontario was above the national rate as the province particularly benefitted from the cyclical recovery of manufacturing output in the first half of the year. Real growth for the year as a whole was moderate for Quebec and the Atlantic region, partly as a result of the decreased output in forestry, mining and trade. Slower growth is estimated to have occurred in British Columbia where the relatively important forestry and associated manufacturing activities experienced reduced output because of the decline in exports.

A number of important developments in the Canadian balance of payments in 1981 are discussed in Chapter 7. The current account deficit, which had been in the $4 to $5 billion range in the late 1970s, and had fallen to a low of $1.9 billion in 1980, rose to $6.6 billion in 1981. This occurred because of a substantial increase in interest payments to non-residents and a deterioration in Canada's terms of trade. The merchandise trade surplus in volume terms, however, increased in 1981 as the volume of exports of goods increased more than the volume of imports of goods. The long-term capital account showed a $1.3 billion surplus, virtually unchanged from 1980. There was a wave of takeovers by Canadians of foreign firms both in Canada and abroad. Sales of long-term securities in foreign markets increased to a record level. Recorded short-term capital inflows also increased substantially, facilitated by a widening of interest rate differentials in Canada's favour. The Canadian dollar was generally weak during the first half of the year and came under heavy pressure in late July and early August. However, it gained strength after midsummer as economic growth in Canada slowed and the energy dispute was resolved.

Chapter 8 examines developments in the government sector during 1981. The combined national accounts deficit of the total government sector (the federal government, the provincial-local-hospital sector and the Canada and Quebec Pension Plans) decreased $3.8 billion to $2.2 billion in 1981. While the surpluses of the provincial-local-hospital sector and the Canada and Quebec Pension Plans increased slightly, the deficit of the federal government fell by $3.2 billion to $7.5 billion in 1981. Total government revenues increased 19.6 per cent and federal revenues grew 27.8 per cent. Total government expenditures grew 15.5 per cent and federal expenditures advanced 17.6 per cent in 1981. Federal borrowing requirements declined $1.8 billion to $8.6 billion in 1981. In the first three quarters of 1981 borrowing requirements of the provincial-local-hospital sector increased more than $2 billion to $9.8 billion. The federal government carried out a relatively large debt program which increased outstanding Government of Canada direct and guaranteed securities from $77.1 billion at the end of 1980 to $89.2 billion at the end of 1981. Of the total new funds raised, Canada Savings Bonds (CSBs) accounted for $8.1 billion.

Chapter 9 provides international comparisons of economic performance in a number of areas of interest. In 1981, the Canadian economy grew at a much stronger pace than the economies of the other large OECD countries. Coinciding with this

were the much smaller increase in the Canadian unemployment rate and a much larger improvement in the growth of productivity. The rate of inflation increased relatively more in Canada than in the other large OECD countries mainly due to substantially higher growth in Canada, deeply entrenched inflationary expectations and the absorption of large energy price increases. Interest rates in Canada and other OECD countries reached record levels in 1981 and fluctuated widely during the course of the year. The Canadian dollar appreciated modestly on average against its major trading partners in 1981. Budget deficits, as percentages of GNP, at both the federal and total levels of government, declined relatively more in Canada than in other large OECD countries.

2. Price, Wage and Productivity Developments

An assessment of the various price series indicates that the run-up in inflation through the middle of 1981 has been arrested and that some general deceleration in inflation has taken place. As is usually the case at turning points, there was the normal delay in confirmation of the change and in general recognition of it. Despite the slowing in the latter part of the year, most price series show a more rapid rate of increase for 1981 as a whole than for 1980. While the various price series revealed some slowing in the second half of 1981, the major wage series continued to indicate larger rates of increase.

The year-over-year rate of increase in the CPI peaked at 13.0 per cent in July and by December had slowed to 12.1 per cent. The greatest part of this slowing was due to moderating food prices as the year-over-year increase for food prices moved down from 12.9 to 5.6 per cent over this period. The rates of increase for the price of energy and of non-food goods also began to slow. No slowing in the rate of increase in service prices had occurred by year-end, however. On the wage side, the rate of increase negotiated in large non-COLA contracts — those without cost-of-living adjustment clauses — averaged 14.1 per cent in the second half of 1981 compared to 12.9 per cent in the first half. Average weekly wages and salaries of the industrial composite were up 12.1 per cent in both the first and second halves of 1981.

Further progress in slowing the rate of inflation faces several obstacles. These include the transmission of cost pressures from the recent run-up in inflation, deeply entrenched inflationary expectations, continuing weakness in productivity growth, large nominal wage gains and the need to absorb large increases in energy prices. Moreover, the continued acceleration of wage gains despite the slowing in inflation could lead to a reversal of the downward trend in price increases.

Price Developments

In the 1970s there were three distinct inflationary periods. Inflation in the early 1970s could be classified as traditional demand inflation, as the industrialized economies of the western world generally pursued full-employment demand management policies. Inflation in the mid-1970s had a large supply-shock component. Large relative price increases for energy, food and raw materials resulting from international events and a slowdown in productivity growth drove up production costs. Current inflation is strongly influenced by the persistence of inflationary expectations which affect the behaviour of both employers and employees with respect to wages, and thus costs and prices over a wide range of the economy. This self-reinforcing process of inflationary expectations, inflationary behaviour and inflationary results produces an inflationary momentum which takes time to break when aggregate demand is restrained.

The CPI rate of inflation advanced 2.3 percentage points to 12.5 per cent in 1981 as indicated in Table 2.1. One of the principal contributing factors was the need to absorb higher domestic energy prices. During the 1970s Canadian energy price increases were quite moderate relative to international levels. The international oil price shocks affected domestic prices primarily through rising import prices of other products. However, domestic crude oil prices increased quite rapidly in 1981 as a result of Alberta production cutbacks, which led to increases in petroleum compensation charges to finance higher import subsidy costs, and of the September 1, 1981 energy pricing agreement between the governments of Canada and Alberta. The CPI for energy increased 30.1 per cent in 1981 compared to 16.0 per cent in 1980. These large energy price increases directly contribute to the high rate of inflation of the CPI since energy is an important component of the CPI basket of goods and services.

The CPI for food increased 11.4 per cent in 1981. The strong rise occurred primarily in the first three quarters. Among the major factors contributing to the increase were reduced supplies of fresh vegetables and fruit, rising grain prices and general inflationary pressures such as rising labour and energy costs. The depreciation of the

Table 2.1
Recent Inflation in Canada and Related Factors

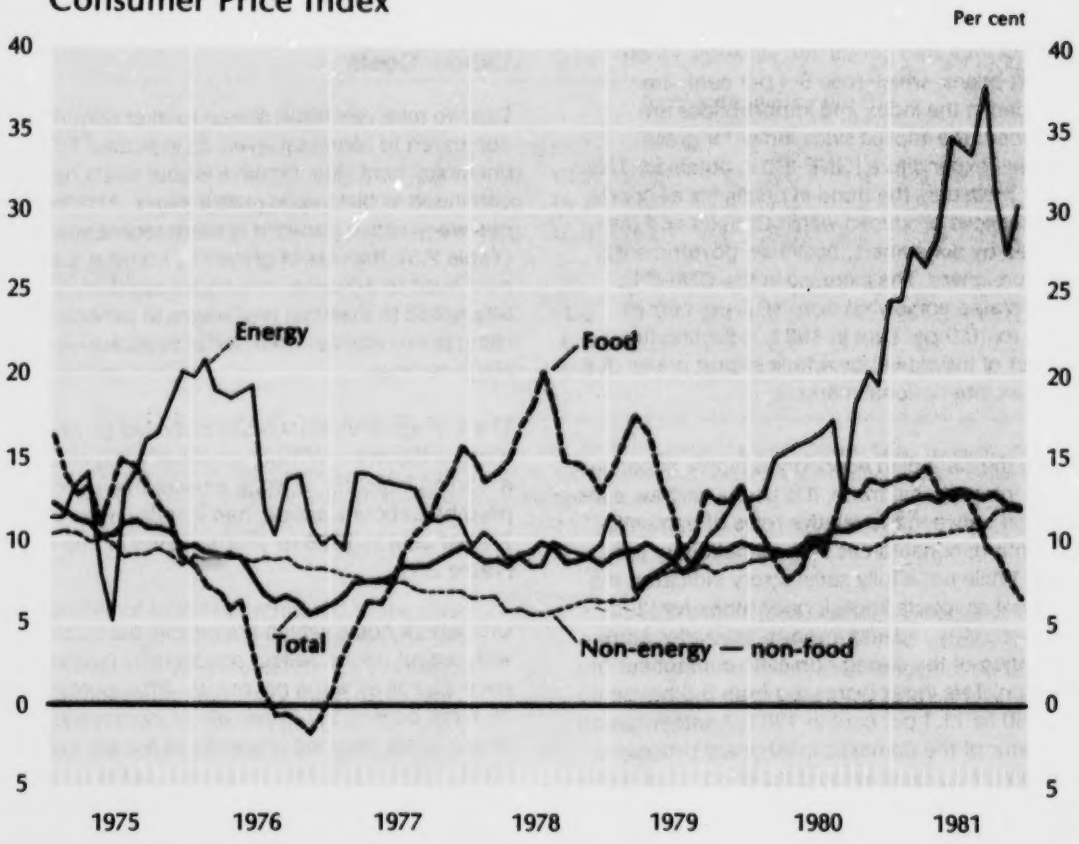
	1977	1978	1979	1980	1981
			(percentage change)		
Consumer prices					
Food	8.3	15.5	13.2	10.7	11.4
Energy	12.2	9.3	9.8	16.0	30.1
Services	9.0	6.8	7.0	8.2	11.5
Total CPI	8.0	8.9	9.1	10.2	12.5
Total excluding food and energy	7.4	6.1	7.7	9.4	10.9
GNE implicit prices					
Consumer	7.4	7.4	9.2	10.6	11.1
Government	7.5	7.3	9.7	8.8	11.8
Housing	10.9	9.5	12.1	10.0	14.6
Business investment	7.7	8.2	10.4	9.8	10.5
Domestic demand	8.1	7.5	9.4	10.4	11.1
Imports	12.2	13.5	14.7	15.6	11.2
Domestic demand less imports	6.7	5.2	7.0	8.3	11.1
Exports	7.8	8.6	19.2	15.9	8.1
Total GNE	7.1	6.4	10.4	10.6	10.0
Average weekly wages	9.6	6.2	8.6	10.1	12.1
Non-COLA negotiated wage settlements	7.9	7.1	8.7	11.1	13.4
Industry selling prices	7.9	9.2	14.5	13.5	10.1
Raw material prices	n.a.	14.9	17.8	14.5	19.2
Total excluding fuels	n.a.	12.8	21.3	11.8	0.7
World commodity prices (excluding energy)					
Food	31.3	4.1	18.5	23.4	– 12.3
Metals	0.9	4.4	42.2	6.5	– 13.0
Fibres	1.0	3.5	14.9	15.4	– 6.3
Total	21.4	5.1	21.9	17.8	– 11.5
			(dollars)		
Crude petroleum prices					
World ($/bbl)	15.16	16.28	22.66	36.99	36.03
F.O.B. Edmonton ($/bbl)	10.80	12.88	13.76	16.11	19.38

Source: Statistics Canada, *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; Statistics Canada, *Employment Earnings and Hours*, monthly, cat. 72-002; Labour Canada, *Labour Data*, quarterly; Statistics Canada, *Industry Price Indexes*, monthly, cat. 62-011; and *The Economist*, weekly.

Canadian dollar relative to the U.S. dollar also exerted upward pressure on domestic food prices through higher import prices for food items from the U.S. The rate of growth of food prices fell significantly in the fourth quarter largely as a result of increased price competition among major food outlets, an increase in total meat supplies and an improved exchange rate for the Canadian dollar.

Chart 2.1

Consumer Price Index



Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 62-001.

To assess the underlying course of inflation it is important to separate the temporary inflation forces caused by some periodic supply shocks from the more long-lasting trends in production costs. The rate of inflation of the CPI excluding food and energy, sometimes used as a measure of the underlying rate of inflation, increased for the third consecutive year to 10.9 per cent in 1981 from 9.4 per cent in 1980 and 7.7 per cent in 1979. This deterioration in the underlying rate of inflation occurred because of deeply entrenched inflationary expectations, the transmission of cost pressures from the recent run-up in inflation, continuing weakness in productivity growth, an acceleration in the rate of increase of nominal wage costs, relatively strong real growth and the indirect impact of energy price increases. By raising input costs, large energy price increases also led to an acceleration in the cost of production in Canadian industries and operating costs of households, thus indirectly increasing prices of other commodities as reflected in the CPI.

The average price paid by Canadians in 1981 for goods and services, whether domestically or externally produced — the implicit price index for domestic demand — increased 11.1 per cent in

1981 compared to 10.4 per cent in 1980, as shown in Table 2.1. This increase was a weighted average of the 11.1-per-cent advance in domestic prices and a 11.2-per-cent increase in the price of imported goods and services. When export prices, which rose 8.1 per cent, are included in the index and import prices are excluded, the implicit price index for gross national expenditure (GNE-IPI) is obtained. This index measures the trend in prices for all goods and services produced within Canada and purchased by consumers, business, governments and foreigners. The increase in the GNE-IPI decelerated somewhat from 10.6 per cent in 1980 to 10.0 per cent in 198 i, reflecting the impact of the slower growth in export prices due to weak international markets.

Since the Canadian economy is highly dependent upon international trade, it is useful to draw a distinction between the relative roles of domestic and international forces in the inflationary process. While not a fully satisfactory indicator, the national accounts implicit price index for "total domestic demand less imports" provides some indication of the strong domestic component of inflation. This index increased from 8.3 per cent in 1980 to 11.1 per cent in 1981. Another good indicator of the domestic inflationary process is the rate of increase in the price of services, since the import content of most services is quite low. The services part of the CPI increased from 8.2 per cent in 1980 to 11.5 per cent in 1981.

The industry selling price index (ISPI) is a leading indicator of the underlying inflationary pressures in the economy. It is a base-year-weighted index that shows movements in both the costs of products sold (f.o.b. plant) by one manufacturer to another and the prices paid by distributors (including exporters) for finished manufactured commodities. The rate of growth of this index continued to fall in 1981, reaching 10.1 per cent after peaking at 14.5 per cent in 1979 (Table 2.1). The main components leading to this slowdown were primary metals and woods.

World commodity and raw material prices excluding fuels softened substantially in 1981 as world demand weakened in response to the slowdown in the level of activity. Total world commodity prices fell 11.5 per cent while raw material prices excluding fuels increased only 0.7 per cent (Table 2.1).

Labour Costs

Despite relatively weak labour market conditions compared to historical levels as indicated by the unemployment rate, nominal labour costs have continued to build up in recent years. Although real wages have declined in more recent years (Table 2.5), the rate of growth of nominal wages continued to advance as workers apparently attempted to maintain real wages in periods of rising prices and to catch up for previous real wage declines.

The average annual increase provided by new wage settlements without a cost of living clause, a leading indicator of wage developments compiled by Labour Canada, has steadily risen from 7.1 per cent in 1978 to 13.4 per cent in 1981 (Table 2.1).

Unit labour costs, which are closely associated with output prices, reflect productivity performance as well as wage payments. After peaking at 15.8 per cent in 1974, the rate of increase in unit labour costs declined gradually to 5.2 per cent in 1978, reflecting in part the impact of the government's wage and price controls and a weakening of demand pressures in the labour market (Table 2.2). Since 1978 the rate of increase of unit labour costs has risen sharply. It rose to 11.8 per cent in 1980 but moderated somewhat to 10.5 per cent in 1981. These large increases reflect accelerating nominal wage increases and poor productivity performance in recent years.

Since 1972 the rate of growth of nominal wages in Canada has generally exceeded that in the U.S. as indicated in Table 2.2. In the U.S. the average annual increase provided by new wage settlements without a cost of living clause rose from 7.1 per cent in 1978 to 10.3 per cent in 1980 and then fell to 9.1 per cent in 1981. The gap between wage settlements in Canada and the U.S. thus widened sharply in 1981, implying that Canadian industry has lost some of the cost competitiveness it gained relative to the U.S. as a result of the large depreciation of the Canadian dollar in the late 1970s.

Table 2.2
Wage and Price Inflation in Canada and the U.S.

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
	(percentage change)									
Canada										
CPI	4.8	7.6	10.9	10.8	7.5	8.0	8.9	9.1	10.2	12.5
Non-COLA negotiated settlements	8.8	10.9	14.7	19.2	10.9	7.9	7.1	8.7	11.1	13.4
Unit labour costs	5.1	7.8	15.8	15.2	9.6	8.0	5.2	8.5	11.8	10.5
United States										
CPI	3.3	6.2	11.0	9.1	5.7	6.5	7.6	11.3	13.5	10.3
Non-COLA negotiated settlements	6.8	5.5	8.8	8.5	7.3	6.9	7.1	8.0	10.3	9.1
Unit labour costs	5.2	3.0	9.3	7.1	6.6	5.0	7.1	10.0	9.1	8.3

Source: Statistics Canada, *Consumer Price Index*, monthly, cat. 62-001; Labour Canada, *Labour Data*, quarterly; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; U.S. Department of Labour, *U.S. Consumer Price Index*, monthly; and U.S. Department of Labour, *Employment and Earnings*, monthly.

A number of factors contributed to the divergence of wage settlements between the two countries, including the difference in inflation performance and relatively more rapid real growth in Canada than in the U.S. Canada's annual CPI rate of inflation at 12.5 per cent in 1981 was much higher than the U.S. rate at 10.3 per cent. The continuous increase in the inflation rate in Canada since 1976 has entrenched anticipations of future increases which build momentum into wage inflation. In comparison, the U.S. inflation rate fell significantly in 1981. Real GNP in Canada advanced 3.0 per cent in 1981 compared to 2.0 per cent in the U.S. The unemployment rate increased only 0.1 of a percentage point in Canada compared to 0.5 of a percentage point in the U.S. in 1981. Higher real growth in Canada avoided a build-up of slack in the Canadian labour market of the magnitude that occurred in the U.S.

Relative Prices

Changes in relative prices provide the necessary signal for an efficient allocation of resources and thus have important implications for both individual markets and the economy as a whole. Movements in relative prices may reflect changes in the relationship between demand and supply in competitive individual markets. Relative prices may also be importantly affected directly by government-determined price changes of certain commodities, such as energy and certain food items in Canada.

Table 2.3 provides estimates of relative price changes over various parts of the 1970-1981 period. This is done by calculating ratios of compound growth rates of individual commodity prices to the compound growth rate of the CPI. Over the whole period 1970-1981, the relative price of food increased 20 per cent more than the increase in the CPI, and the price of energy 40 per cent more. The percentage increase in the price of transportation was the same as that of the CPI over the 1970-1981 period. The price of clothing and of recreation, education and reading increased 30 per cent less, of tobacco and alcohol 20 per cent less, and of housing and health and personal care 10 per cent less, than the increase in the CPI.

The Consumer Price Index and Relative Price Changes

One of the most commonly used measures of the cost of living, the CPI, measures changes through

Table 2.3
Relative Price Changes[1]

	1970-73	1974-78	1979-81	1970-81
		(ratios)		
Food	1.3	1.2	1.1	1.2
Energy	0.9	1.4	1.7	1.4
Housing	0.8	1.0	0.9	0.9
Clothing	0.5	0.7	0.9	0.7
Transportation	0.5	1.0	1.3	1.0
Health and personal care	0.6	0.9	0.9	0.9
Recreation, education and reading	0.6	0.7	0.8	0.7
Tobacco and alcohol	0.4	0.9	1.0	0.8

[1] Compound growth rate of prices in each sector expressed as ratio of the compound growth rate of the CPI.
Source: Statistics Canada, *Consumer Price Index*, monthly, cat. 62-001; and Department of Finance.

time in the cost of purchasing a fixed "basket" of goods and services. However, this kind of an index yields an upward biased estimate of the cost of living and therefore the rate of inflation because, in keeping the same base period basket of goods and services as weights, it does not take into account the substitution away from more expensive to relatively cheaper commodities induced by relative price changes. In general, the greater the degree of substitution among commodities and the greater the amount of the relative price change, the greater will be the bias in a fixed-weighted index such as the CPI.

Statistics Canada periodically updates the expenditure weights in the fixed basket of goods and services to reflect changing consumption patterns. It is now in the process of changing over to a 1978 basket of goods and services, replacing the 1974 basket. Table 2.4 provides a comparison of movements in the CPI for the 1974-1978 period using the 1967 and 1974 baskets, and for the 1978-1981 period using the 1974 and 1978 baskets.[1]

The effect of updating the weights in the CPI is to reduce the increase in the CPI by 3.0 per cent over the 1974-1978 period and by 0.4 per cent from 1978 to 1981. The larger effect of updating the weights in the CPI during the 1974-1978 period, relative to 1978-1981, is attributable in part to the length of the time lag in successive CPI updatings. There was a seven-year lag in the 1974 updating of weights relative to 1967, and only a four-year lag in the 1978 updating relative to 1974. It is normally the case that the longer the lag in updating weights, the greater the change in weights due to relative price changes.

Productivity and Real Wages

Canadian labour productivity performance has deteriorated sharply since 1973. After increasing at an average annual rate of 2.5 per cent between 1966 and 1973, productivity, defined as real GNP per employed person, declined 0.1 per cent a year on average from 1974 to 1981 as indicated in Table 2.5. Estimated as real gross domestic product (GDP) per employed person, productivity growth slowed down from 2.5 per cent to 0.1 per cent over the same period. This slowdown in productivity, to the extent it has not been matched by a decline in nominal wage growth, has increased Canadian unit labour costs and contributed to inflationary pressures.

[1] The first set of estimates is available from Statistics Canada. The second set of estimates, using 1978 weights, has been prepared by the Department of Finance as Statistics Canada's estimates are not yet available.

Table 2.4
A Comparison of Movements in the Consumer Price Index Using Different Expenditure Weights

Weights

	1967	1974	1978
All items	100.0	100.0	100.0
Food	24.8	21.5	21.1
Housing	31.4	34.1	35.4
Clothing	11.3	10.1	9.6
Transportation	15.2	15.8	16.2
Health and personal care	4.5	4.0	3.7
Recreation, education and reading	6.9	8.3	8.6
Tobacco and alcohol	6.0	6.2	5.4

Consumer Price Index

	1967 Basket[1]	1974 Basket[1]		1974 Basket[2]	1978 Basket[2]
1974	100.0	100.0	1978	100.0	100.0
1975	110.8	110.4	1979	109.1	109.0
1976	119.2	118.9	1980	120.2	120.1
1977	128.7	127.7	1981	135.4	135.0
1978	138.7[3]	135.7[3]			

[1] Official CPI series rebased to a 1974 time base.
[2] Official CPI series rebased to a 1978 time base.
[3] An average of the first nine months in 1978.
Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 62-546; Statistics Canada, *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; and Department of Finance.

Causes of the slowdown in productivity growth are complex and interdependent. While empirical analysis has generally not been successful in fully identifying these causes, a number of important factors have been suggested as potentially contributing to the productivity slowdown in Canada.[2] These include: a decline in the growth of the stock of capital relative to labour; large declines in productivity growth in certain sectors of the Canadian economy, particularly the oil and gas sector; the gradual shifting of labour from sectors of the economy having higher measured productivity to services where productivity is hard to measure and is regarded as having a lower-than-average rate of growth; the increasing numbers of women and youths entering the labour force during the 1970s as a result of changes in attitudes and the post-war baby boom; and the

[2] For details on the subject, the interested reader is referred to a Department of Finance study "Recent Changes in Patterns of Productivity Growth in Canada", April 1980.

Table 2.5
A Comparison of Labour Productivity and Real Wage Changes in Canada

	Real wage				Productivity	
	Using weekly wages and salaries and the CE-IPI	Using weekly wages and salaries and the CPI	Using labour income and the CE-IPI	Using labour income and the CPI	Using GNP	Using GDP
	(percentage change)					
1966	2.5	2.1	2.1	1.7	2.6	2.4
1967	3.3	3.1	7.3	7.1	0.4	0.7
1968	2.8	2.9	2.7	2.8	4.0	3.6
1969	3.3	2.6	4.8	4.1	2.1	2.8
1970	4.0	4.3	3.7	4.0	1.4	1.3
1971	6.2	5.7	5.4	4.9	4.5	3.4
1972	4.4	3.6	4.5	3.7	3.1	2.8
1973	0.2	– 0.1	3.1	2.8	– 2.4	2.7
1974	– 0.3	0.1	3.9	4.3	– 0.5	0.4
1975	3.7	3.4	4.0	3.7	– 0.5	– 0.8
1976	4.8	4.7	5.9	5.8	3.4	2.8
1977	2.2	1.6	0.9	0.3	0.3	1.2
1978	– 1.2	– 2.7	– 1.8	– 3.3	0.3	0.0
1979	– 0.6	– 0.5	– 1.7	– 1.6	– 0.9	– 0.3
1980	– 0.5	– 0 1	– 1.7	– 1.3	– 2.7	– 2.3
1981	1.0	– 0.4	– 0.2	– 1.6	0.4	– 0.1
Averages						
1966-73	3.3	3.0	4.2	3.9	2.5	2.5
1974-77	2.6	2.4	3.7	3.5	0.6	0.9
1978-81	– 0.3	– 1.0	– 1.3	– 2.0	– 0.7	– 0.7
1966-81	2.3	1.9	2.7	2.3	1.2	1.3
1974-81	1.2	0.8	1.2	0.8	– 0.1	0.1

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Employment, Earnings and Hours*, monthly, cat. 72-002; *Gross Domestic Product by Industry;* monthly, cat. 61-005; *Consumer Price Index*, monthly, cat. 62-001; and Department of Finance.

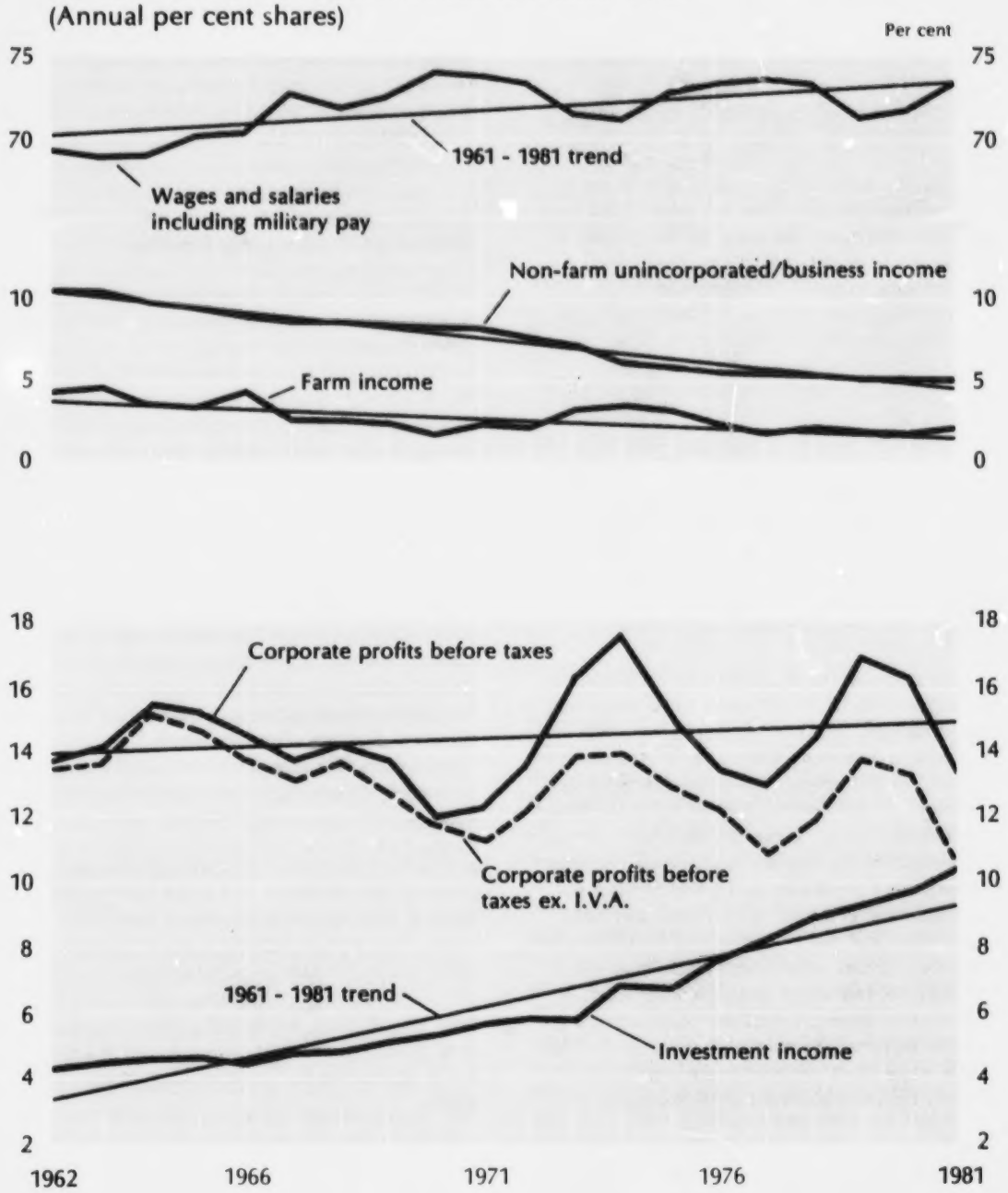
relative change in energy prices resulting from international supply shocks of the 1970s with its consequent effect on utilized capital stock. Some have argued that relative price changes in general and the magnitude and the variability of inflation are also possible causes of the decline in productivity.

The relationship between productivity increases and real wage gains is of central importance in understanding developments in the economy, and particularly inflationary pressures. However, precise analysis of this relationship encounters a number of problems. Accurate estimates of productivity are hard to obtain. For example, there is no standard method of estimating output, and therefore productivity, of many service industries. Different definitions of productivity and real wages are available and can produce different results. To avoid basing conclusions on specific measures of real wage and productivity changes, two estimates of productivity and four estimates of real wage change are presented here. Productivity is calculated both as real GNP and real

Chart 2.2.

Shares of Net National Income at Factor Cost

(Annual per cent shares)



Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

GDP per employed person. Real wage estimates are based on different combinations of two measures of wages — average weekly wages and salaries, and labour income per employed person — and two measures of inflation, the rate of change of the implicit price index for consumer expenditure (CE-IPI)[3] and the CPI. Problems exist with the wage series as well as the productivity measures. For example, whereas real GNP and real GDP include all output produced in Canada, the measure of average weekly wages and salaries does not cover the total labour force as it excludes employee earnings in agriculture, fishing and trapping, education, health and welfare services, religious organizations, public administration and defence. On the other hand, while the labour-income-per-employee wage measure covers all sectors and includes all sources of labour income in addition to wages, it is based on income and employment estimates which are not mutually consistent. Analysis of the relationship between productivity and real wage changes would also ideally take account of terms-of-trade changes. This has not been attempted here. Keeping these caveats in mind, however, one can still draw useful information from a comparison of productivity and real wage changes over time as presented in Table 2.5.

On average over the whole period 1966-1981 or the subperiods 1966-1973 and 1974-1981, real wage changes, however measured, have exceeded the rate of growth of both measures of productivity in Canada. The difference between real wage growth and productivity gains widened significantly during the period 1974-1977, which partly explains the acceleration and persistence of inflationary pressures during this and subsequent periods. In recent years there have been large differences between changes in labour productivity and real wage rates in individual years. For example, real wage rates declined substantially in 1978 when productivity changed very little. The relationship was sharply reversed in 1980 as real wage rates declined somewhat but productivity declined substantially in excess of 2 per cent. However, the excess of real wage increases over productivity growth declined during the 1978-1981 period compared to the 1974-1977 period. Given declining productivity in the last few years, the importance of real wage losses cannot be over-emphasized. Any real wage gains in excess of productivity increases, or losses in real wages that are smaller than declines in productivity, can be expected to add to inflationary pressures.

Shares of Net National Income

In 1981, the share of wages, salaries and supplementary labour income in net national income (NNI) showed the first increase since 1976, rising to 73.0 per cent from an average of 71.6 per cent in 1979 and 1980. While employment growth moderated, relatively strong wage growth helped put upward pressure on this share last year (Chart 2.2). The corporate profit share of NNI fell below its trend value in 1981 to 13.4 per cent. In general, the share of profits usually rises during an expansion and falls during a slowdown. A declining cost-price mark-up resulting from higher production costs and falling export prices was responsible for the decline in this share. The interest and miscellaneous investment income share continued to rise in 1981, reflecting increased interest rates and a sustained high personal savings rate. The rapid growth of natural resource royalties accruing to provincial governments was largely responsible for increasing its share of NNI above its trend since 1976.

Non-farm unincorporated business income as a share of NNI increased to 5.0 per cent in 1981. In general, fluctuations of this share have been slight. The net farm income's share increased in 1981 as the increase in crop receipts more than offset the increase in operating costs. Over the past few decades, increased productivity and slow growth of demand have resulted in a shift out of agriculture and a downward trend in this share.

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[3] The CE-IPI is current-weighted, which means that the basket of goods and services being measured changes each period to reflect altered purchasing patterns. For reasons given in the previous section, the CE-IPI more accurately reflects the true changes in consumer prices.

3. Financial Developments

The basic thrust of the Bank of Canada's monetary policy in recent years has been to counter inflation. Over the past six years, the target for the rate of growth of currency and chartered bank demand deposits — the narrowly-defined money supply, M1 — has been reduced gradually as the Bank of Canada has endeavoured to minimize the disruption to the economy of pursuing an anti-inflationary policy. The Bank of Canada has successfully used its ability to influence short-term interest rates to keep the trend rate of monetary growth generally within the target ranges.

Control of the growth of monetary aggregates to ease inflationary pressures can be approached in several ways. In the United States, the monetary authorities have been attempting for some time to control the growth of the money supply, although the method of control has undergone some changes. In 1970, the Federal Reserve Board in the U.S. instituted a money supply target, setting the federal funds rate at a level that elicited the desired growth. This policy was followed for several years but in late 1979 a worsening inflation situation, along with excessive growth of the monetary aggregates, prompted the Federal Reserve Board to review its approach in an effort to gain better control over the growth of money and credit. A key element of the new procedures is to place more emphasis on controlling the supply of reserves available to the banking system to keep monetary growth within the target ranges.

While the new procedures have facilitated some of the operations of the Federal Reserve Board, it is also evident that U.S. interest rates have become considerably more volatile and record high levels have been attained. Given the close ties between the Canadian and U.S. economies and financial markets, volatile interest rate movements in the U.S. have put pressure on the external value of the Canadian dollar and on interest rates in Canada.

The fact that interest rates in Canada have reached record levels since 1979 is not related solely to the change in operating procedures of the Federal Reserve Board and high U.S. interest rates. Another important consideration has been rising inflation and inflationary expectations in Canada. As a result of increasing inflationary pressures, lenders have been demanding higher rates of return which means that borrowers have been required to pay more for funds.

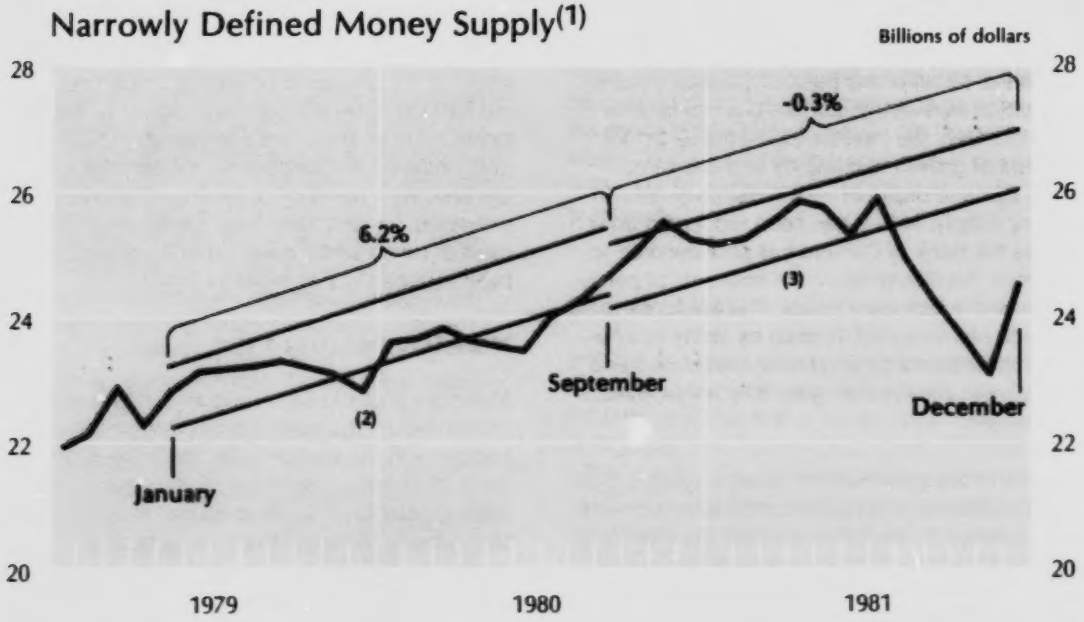
Monetary Policy in 1981

Monetary policy in Canada during 1981 was dominated by the objective of easing inflationary pressures in the economy. At the same time, the Bank of Canada responded to temporary downward pressures on the external value of the dollar to moderate the inflationary impacts of an exchange rate depreciation and to avoid excessive exchange rate movements. Continuing its policy of gradually reducing the rate of monetary growth, the Bank of Canada announced on February 13, 1981 a new target range of 4 to 8 per cent for the annual rate of growth of M1, measured from the average level for the three-month period centered on September 1980.

In setting the new target range for M1 the Bank of Canada made the following observations. First, the reduction in the limits of the target range for M1 was in line with the Bank's longer-term policy of moderating over time the rate of monetary expansion in Canada in order to achieve a reduction in the rate of inflation. Second, the economy was expanding at a fairly rapid pace but it was also evident that the growth of spending was inflated by rapidly rising prices of goods and services. It was noted that it remained the intention of the Bank to ensure sufficient monetary expansion to accommodate as high a level of employment and output in Canada as would prove to be consistent with a clearly moderating trend in the rate of inflation. Finally, it was believed that the economy's requirements for cash balances had declined because of some changes in banking practices. Perhaps the most important of these changes was the greater use of daily interest savings accounts which has the effect of economizing on the use of M1 balances.

Chart 3.1

Narrowly Defined Money Supply(1)



(1) Currency outside banks plus demand deposits (M1).
(2)(3) The parallel bands are two per cent on either side of a trend line depicting a 7-per-cent and a 6-per-cent annual increase, respectively.

Source: Bank of Canada, *Review*, monthly.

Short-term interest rates changed very little over the first four months of the year and, because of easing in interest rates in the United States, a sizeable differential opened up between Canadian and U.S. short-term interest rates. Despite the high level of interest rates, M1, which had been declining since November 1980, began to grow rather strongly in March and by the end of April it had again reached the upper bound of the new target range. Since the economy was also expanding at a rapid pace, it was apparent that the strength of M1 in the first quarter was related to a concomitant sharp rise in nominal GNP.

Beginning early in the second quarter of 1981, the Federal Reserve Board responded to very rapid growth of the U.S. money supply leading to a much higher level of interest rates in the U.S. and a marked strengthening of the U.S. dollar on world currency markets. Although interest rates in Canada were already higher than those in the U.S., the fact that there was a sharp narrowing and then an elimination of the over 300-basis-point interest rate differential on short-term paper between the two countries contributed to considerable downward pressure on the external value of the Canadian dollar. Several other major currencies on world financial markets also dropped relative to the U.S. dollar as domestic interest rates in most industrialized countries did not keep pace with those in the U.S. However, the situation in Canada, particularly in the third quarter, was exacerbated by a number of factors including heightened domestic takeover activity of foreign-owned firms, the dispute over energy pricing, and a view in the foreign exchange markets

that the prospects for improvement in inflation performance were better in the U.S. than in Canada.

The move to higher interest rates in North America in the spring soon began to have an impact on the growth of the money supply in Canada. After reaching the upper bound of the target range in April, M1 fell sharply over the succeeding three months to a level slightly below the lower end of the target range in June. The contraction of M1 beginning in the second quarter (Table 3.1) was much greater than would have been expected on the basis of the historical relationship among the money supply, GNP and interest rates.

Over the summer months, the money supply rose for a short time but this was due to the effects of the postal strike. However, with the resumption of postal service in August, M1 began to fall again and continued to decline until October when it reached its lowest level in over two years at $1.8 billion below the lower target limit. M1 increased sharply in the final weeks of the year but not sufficiently to reach the lower bound of the target range.

Short-Term Interest Rates

Short-term interest rates in Canada attained very high levels in late 1980 and although interest rate pressures eased slightly in the first four months of 1981 they nonetheless remained at quite high levels. In late spring a concern over growing inflationary pressures as well as significant downward pressure on the external value of the Canadian dollar resulted in further upward pressure on interest rates in Canada. In mid-May the Bank Rate was set at 19.06 per cent, up almost 200 basis points from its average level in the first four months of the year. Other short-term interest rates in Canada moved correspondingly, resulting in a 100-basis-point differential between Canadian and U.S. short-term interest rates. This helped to stabilize the Canada-U.S. exchange rate for a short time.

On August 4 the Canadian dollar reached a 49-year low of U.S. $0.8031, further intensifying upward pressures on interest rates in Canada. In an attempt to limit the fall in the external value of the Canadian dollar, the Bank Rate was moved to a record 21.24 per cent in early August and short-term interest rates in Canada were some

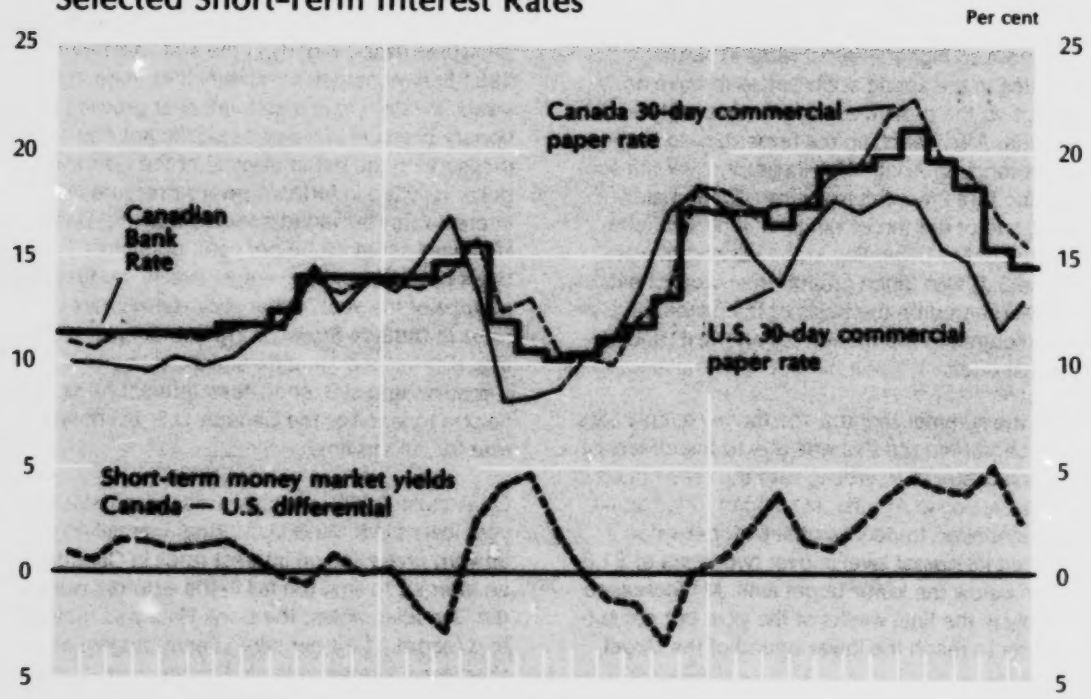
Table 3.1
Monetary Growth and Interest Rates

	Annual			Quarterly 1981[1]			
	1979	1980	1981	1Q	2Q	3Q	4Q
Money supply[2]	(percentage change)						
M1	7	6	4	1	5	– 4	– 16
M2	16	18	14	10	16	18	18
M3	19	14	12	17	2	25	26
Interest rates	(per cent)						
3-month Treasury bills	11.7	12.8	17.7	16.7	18.2	20.1	15.8
Corporate bonds	10.9	13.3	16.3	14.3	16.0	18.4	16.7
Real interest rate[3]	1.7	2.6	8.3	5.7	10.8	10.3	5.5

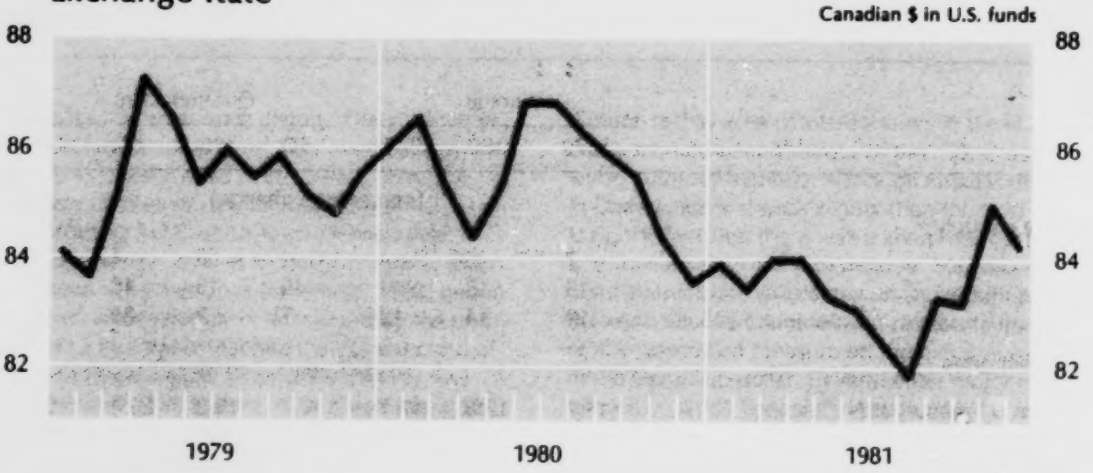
[1] Seasonally adjusted at an annual rate.
[2] Rate of change based on average level for the period over the preceding period.
[3] Estimates of real interest rates are obtained as differences between the 90-day commercial paper rate and the concurrent rate of increase in the implicit price index of gross national expenditure.
Source: Bank of Canada, *Review*; and Department of Finance.

Chart 3.2

Selected Short-Term Interest Rates



Exchange Rate



Source: Bank of Canada, *Review*, Monthly.

400 basis points above those in the U.S. Although M1 fell in response to the higher interest rate level and the reduced pace in the growth of economic activity, the Bank of Canada was also very much concerned about limiting the downward pressure on the exchange rate. A further decline in the external value of the Canadian dollar would have added to already serious inflationary pressures.

Interest rate pressures in both Canada and the U.S. eased significantly in the latter part of the year although they were still high in nominal terms by historical standards. The very large interest rate differential of 400 basis points between Canada and the U.S. that prevailed over this period at first had the effect of tempering the fall in the exchange rate and later contributed to its strengthening. As interest rates in the U.S. began to fall, Canadian interest rates also decreased although there was no significant narrowing in the interest rate differential between the two countries until the last two weeks of 1981. During December, the Bank Rate was lowered to 14.66 per cent, which was over 650 basis points below the peak in early August, and the Canadian dollar had strengthened and traded around U.S. $0.8450.

Real Interest Rates

A useful measure of the degree of restrictiveness of monetary policy is the inflation-adjusted, or real rate of interest (Table 3.1). There are several ways in which the real rate of interest can be estimated. The estimate used here is the difference between the average 90-day commercial paper rate and the inflation rate as measured by the GNE price deflator. Using this measure it appears that, in retrospect, real rates of interest over the 1970s were very low when compared to previous periods and, at times, were even negative. The average real short-term rate of interest during 1961-1970, a period of relatively stable prices, was 2.5 per cent. The low real rates of interest experienced over the 1970s were linked to increasing inflationary pressures in the economy. With the significant tightening of monetary policy which began in late 1979, real rates of interest rose to very high levels by historical standards and were especially high in the middle two quarters of 1981. However, with the easing in short-term interest rates that occurred in the second half of the year, real rates of interest during the fourth quarter returned to a level close to the average over the 1979-1981 period.

Long-Term Interest Rates

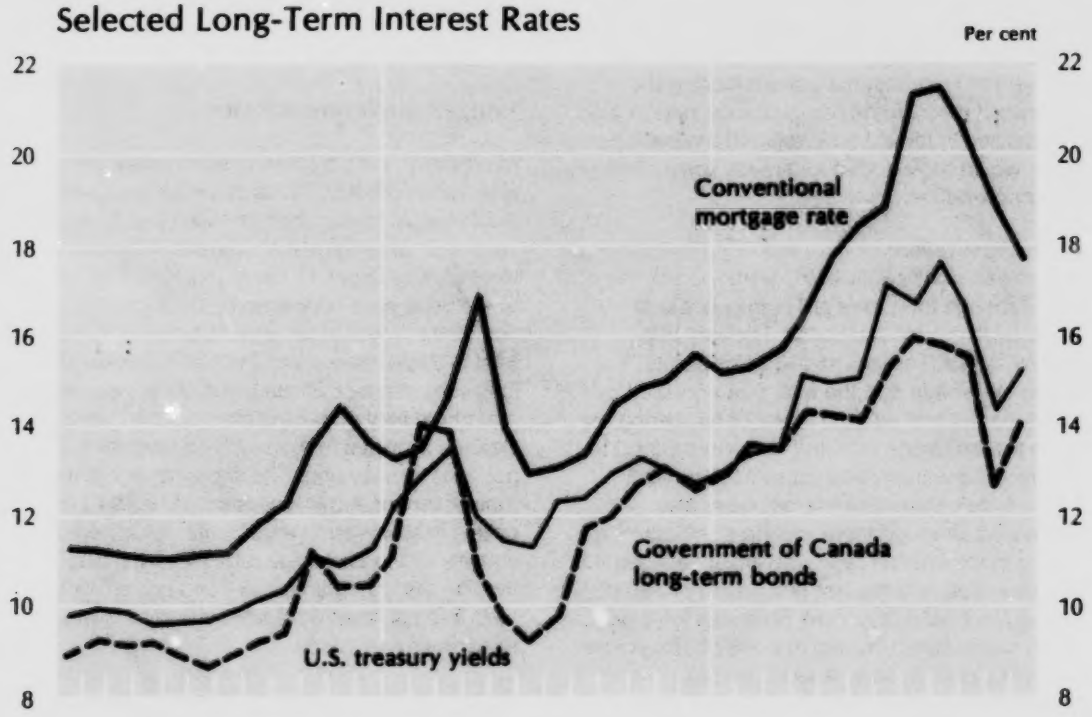
Long-term yields in Canada also moved over a wide range during 1981 and, on balance, were much higher than in the previous year. Yields on long-term Government of Canada bonds, which were slightly under 13 per cent at the beginning of the year, rose fairly steadily throughout the first nine months of the year to peak at 17.66 per cent in September. Both the Canadian and U.S. long-term markets showed some improvement during the final months of the year and yields in Canada dropped fairly rapidly to close at 15.25 per cent by year-end. The improvement in the tone of the market was related primarily to an easing in short-term interest rates and greater stability of the exchange rate. Nevertheless, despite the improvement in bond prices, long-term interest rates were still quite high relative to historical experience.

The rise in long-term yields that occurred in the first nine months of 1981 can be viewed as a continuation of a trend that began in mid-1980. Increases in U.S. long-term interest rates and inflationary expectations appear to be the most important factor behind the continued rise in long-term rates in Canada during the first nine months of 1981. While long-term yields eased somewhat in the final three months of 1981, there were some uncertainties in financial markets, given comments regarding interest rate pressures in the U.S. as a result of the Treasury's heavy financings anticipated over the next two years.

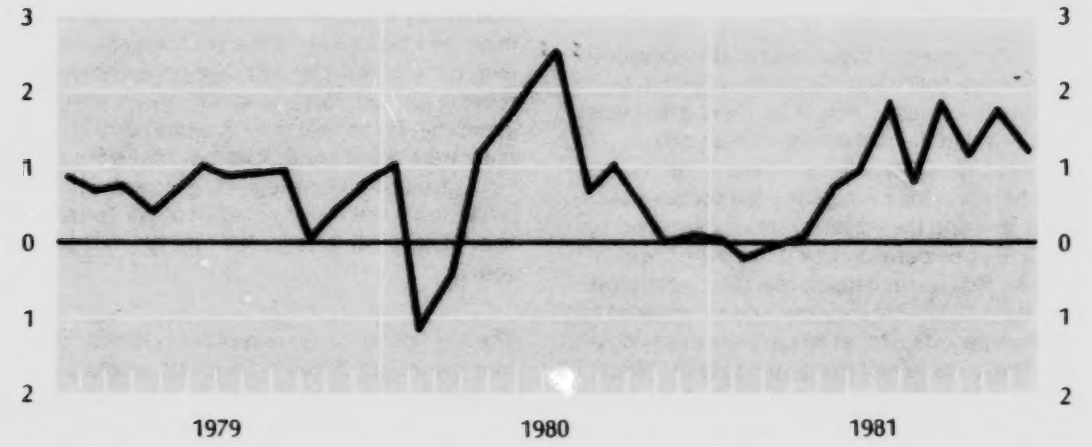
The yield curve on Government of Canada long-term bonds, as shown in Chart 3.4, also displayed considerable variation over the year. Following more than two years of being negatively sloped — indicating higher interest yields for short-term securities than for longer-term ones — the yield curve ended the year with a slight positive slope. The flattening of the yield curve in 1981 resulted from a sharp decline in short-term interest rates and a smaller decline in long-term yields.

Chart 3.3

Selected Long-Term Interest Rates



Canada — U.S. Long-Term Differential



Source: Bank of Canada, *Review*, monthly.

Financial Markets in 1981

Some restructuring of financial markets took place in 1981 in response to high and volatile interest rates as market participants demonstrated their uncertainty regarding future interest rate movements. Both borrowers and lenders concentrated their activity in the short-term market (Table 3.3). Lenders were increasingly less willing to invest funds for any lengthy period of time, since they were unsure whether interest rates might rise still further, while business borrowers relied on short-term sources of funds rather than attempting to lengthen their debt structure at prevailing interest rate levels. In the household sector, borrowers, especially those renewing their mortgages during the year, attempted to lower their debt burden by drawing down some of their accumulated savings at the time of renewal.

Non-Financial Business Sector

The demand for financing by the non-financial business sector was exceptionally strong in 1981, reflecting rapidly rising expenditures and weakening profit performance as well as heightened takeover activity. Partly in response to these factors, the non-financial business sector raised a record $42.4 billion in the Canadian capital markets in 1981, considerably higher than the $28.4 billion raised in the previous year. While the gap between business fixed investment expenditures and internally generated funds widened, as shown in Chart 3.5, it was also evident that increased corporate takeover activity was a major factor contributing to the sharp increase in external borrowing. Table 3.4 shows that borrowing in short-term markets was almost double the very high level of the previous year, while there was only a modest increase in long-term sources

Table 3.2
Credit Expansion

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Private domestic sectors	33.4	42.7	43.7	61.4
Loans to persons	4.8	4.9	5.0	5.7
Mortgages[1]	13.7	13.5	10.0	11.9
Non-financial business[2]	13.8	22.2	27.5	41.5
Other non-financial borrowers	1.0	2.1	1.2	2.0
Government sector	23.0	12.7	19.2	15.7
Federal	13.7	6.7	12.0	3.7
Federal enterprises	2.5	1.0	1.8	4.0
Provincial (direct and guaranteed debt)	6.2	4.1	5.1	9.0
Municipal	0.5	0.8	0.3	0.0
Non-residents	5.9	3.7	6.6	10.3
Total funds raised	62.2	59.1	69.5	88.1
Less: funds raised abroad	10.8	10.4	8.9	17.3
Funds raised in Canada	51.4	48.7	60.6	70.9
(as a per cent of GNP)	(22.3)	(18.6)	(21.0)	(21.3)

Note: Data may not add due to rounding. Flow data for 1981 are estimates of the Department of Finance.
(1) Does not include mortgage borrowing from the government sector.
(2) Excludes mortgage borrowing.
Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Table 3.3
Credit Expansion by Instrument

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Short-term instruments	25.0	20.7	28.7	42.3
Loans to persons	4.8	4.9	5.0	5.7
Chartered bank business loans	3.3	11.0	10.1	21.3
Other bank loans	4.2	– 0.1	1.3	2.2
Other	7.3	2.2	5.0	2.4
Treasury bills and short-term paper	3.5	4.0	8.6	2.6
Canada Savings Bonds	1.9	– 1.3	– 1.3	8.1
Long-term instruments[1]	37.2	38.4	40.8	45.8
Marketable bonds	12.5	13.1	14.9	15.7
Mortgages[2]	13.7	13.5	10.0	11.9
Equities	4.8	5.3	5.6	5.0
Bank loans	1.8	1.4	3.3	7.5
Other loans	4.4	5.1	7.0	5.7
Total funds raised	62.2	59.1	69.5	88.1

Note: Data may not add due to rounding. Flow data for 1981 are estimates of the Department of Finance.
(1) Excludes borrowing by private financial institutions.
(2) Does not include mortgage borrowing from the government sector.
Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

of funds. The continued reliance on short-term sources of funds over the past three years has resulted in a substantial shift in the debt structure of non-financial corporations.

Short-term bank loans accounted for almost 90 per cent of the $27.0 billion raised in short-term funds. The money market also played a very important role in the financing behaviour of the business sector over the year, although this is not immediately apparent from the data in Table 3.4. While the contribution of bankers' acceptances and commercial paper to total borrowing appears to be relatively insignificant, the monthly turnover in the money market in 1981 was very large. Switching between bank loans and bankers' acceptances and other forms of short-term paper in an effort to minimize the cost of borrowing was an important consideration throughout the year given the level and volatility of short-term interest rates and the changing relationship between money market rates and the banks' prime lending rate.

Heightened takeover activity has had an important impact on the growth of bank loans in recent years and, in 1981, Canadian businesses relied heavily on bank loans to finance such activity. As a result of a concern that such financing might depress the external value of the Canadian dollar, the Minister of Finance announced on July 29 that he had requested a number of the larger Canadian banks to reduce substantially the amount of their lending in which the proceeds are converted to foreign currency and used to finance takeovers. Subsequently the takeover activity subsided. While there is no precise measure of the amount of takeover activity that has been financed by the banks, it is interesting to note that both foreign currency bank loans to residents and Canadian dollar loans to resource-based companies increased very strongly during the year. Foreign currency loans to residents "booked" in Canada reached $20.9 billion at the end of December, up $9.7 billion from the end of the previous year. At the same time, Canadian dollar loans to the resource-based industries also

Table 3.4
Private Non-Financial Business Borrowing

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Total	13.9	22.9	28.4	42.4
Short-term	5.5	14.3	15.9	27.0
Bank loans	3.8	10.7	9.7	23.5
(of which foreign currency loans booked in Canada)	(2.3)	(1.1)	(2.9)	(9.7)
Commercial paper and bankers' acceptances	0.3	1.4	2.7	1.8
Other[1]	1.4	2.2	3.5	1.7
Long-term	8.4	8.6	12.5	15.4
Bonds	1.6	0.5	2.1	4.2
Equities	4.8	5.3	5.6	5.2
Mortgages	0.1	0.7	0.9	0.9
Direct investment from abroad	0.1	0.7	0.6	– 2.4
Bank loans	1.8	1.4	3.3	7.5

Note: Data may not add due to rounding. Flow data for 1981 are estimates of the Department of Finance.
[1] Includes commercial loans of sales finance companies, lending by financial institutions affiliated with foreign banks, and business loans from government.
Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Table 3.5
Selected Credit Measures

				Quarterly 1981[1]			
	1979	1980	1981	1Q	2Q	3Q	4Q
	(percentage change)						
Chartered banks							
Business loans	25	19	41	40	27	57	40
Foreign currency	7	29	124	61	372	172	20
Bankers' acceptances	76	83	22	– 20	– 26	168	40
Total commercial paper	18	10	35	60	71	65	– 23
Business loans plus commercial paper and foreign currency loans to residents	28	28	40	32	47	50	30

[1] Seasonally adjusted at an annual rate.
Source: Bank of Canada, *Review*.

increased by $2.5 billion and, when combined with foreign currency loans, were an important factor contributing to the 40-per-cent increase in the broader credit measures (Table 3.5).

The cautious attitude of investors concerning the outlook for inflation made it increasingly difficult to attract long-term funds to the Canadian market. Consequently, a large proportion of long-term borrowers were attracted to foreign bond markets, particularly the U.S. and Eurodollar markets, where interest rates were lower than in Canada.

Securities Market

Total net sales of marketable securities as shown in Table 3.6 were again a sizeable $28.3 billion in 1981. Although there was only a small increase in the sales volume of short-term securities over the year as a whole, activity in the money market during some months was quite brisk. In the long-term market, there was a sharp drop in the volume of issues in the Canadian bond market but this was more than offset by borrowing in foreign markets where interest rates were lower. Volatile interest rates continued to play a key role in the timing of the placement of issues in the bond market during 1981.

The provincial governments borrowed heavily in the bond markets, particularly in foreign markets, raising $9 billion during 1981. By contrast, the federal government raised only $4.6 billion in the bond market compared to $7.2 billion the previous year. The actual financing requirement of the

Table 3.6
Supply of Securities and Distribution of Holdings[1]

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Supply of securities				
Money market instruments	5.3	6.2	11.3	0.7
Marketable bonds	13.6	14.2	14.3	20.5
Equities	7.9	6.3	7.1	7.0
Foreign securities	—	0.6	0.1	0.1
Total	26.8	27.2	32.8	28.3
(per cent of GNP)	(11.6)	(10.4)	(11.3)	(8.6)
Distribution of holdings				
Non-residents	5.0	4.4	6.5	11.3
Residents				
Bank of Canada	1.7	1.6	2.2	1.1
Chartered banks	7.2	—	– 0.9	1.0
Near banks	1.2	1.3	3.2	1.7
Insurance and pension institutions	6.0	8.4	9.6	8.6
Other private financing institutions	1.3	0.7	1.2	1.5
Other residents	4.5	10.8	11.0	3.1
Total residents	21.8	22.8	26.3	17.0
(per cent of GNP)	(9.5)	(8.7)	(9.1)	(5.2)

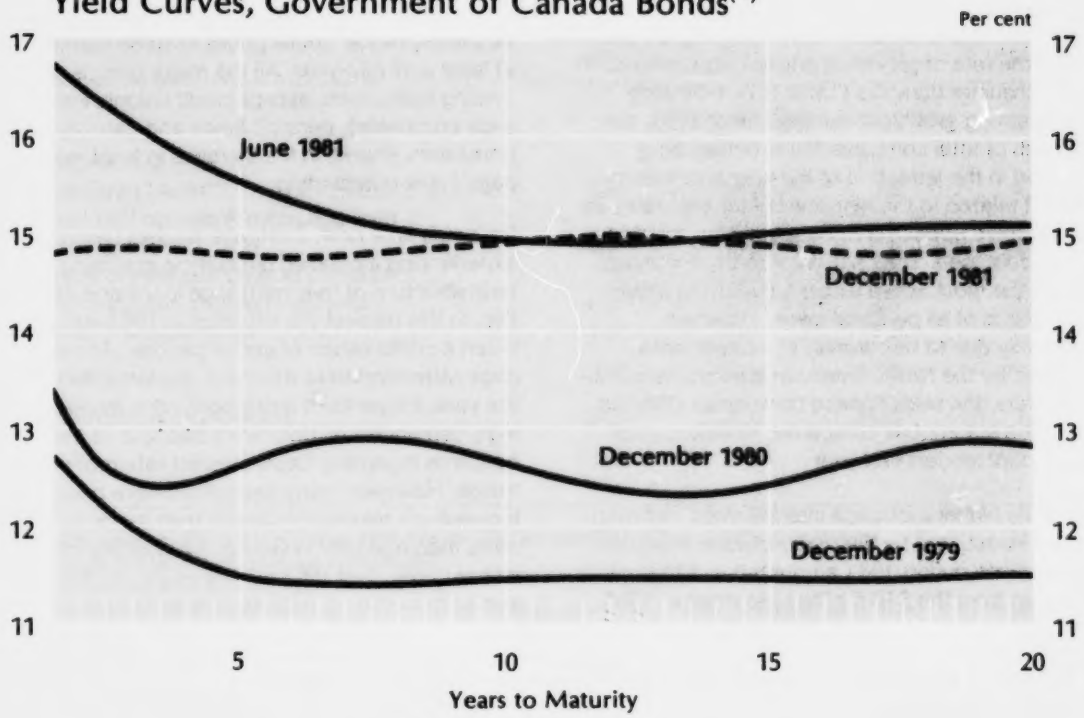
Note: Data may not add due to rounding. Flow data for 1981 are estimates of the Department of Finance.

[1] Excludes Canada Savings Bonds, purchases of provincial direct and guaranteed securities by the Canada Pension Plan and the Quebec Deposit and Investment Fund and the government sector holdings of its own securities.

Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Chart 3.4

Yield Curves, Government of Canada Bonds[1]



[1] The yield curves were drawn using the month-end observation for various maturities of Government of Canada bonds.

Source: Department of Finance.

Government of Canada showed little change over the year. The 1981/82 Canada Savings Bond series netted a record $11.5 billion and thereby limited the need for raising new funds in the remainder of the 1981/82 fiscal year.

The 19.5-per-cent coupon on the first year of the 1981/82 series combined with the unexpected easing of other interest rates was a major factor in the very large sale of CSBs. On the basis of banking statistics, it would appear that just over one-half of the gross sales came from chartered bank personal savings deposits, slightly less than the approximately 60 per cent which is usually associated with CSB campaigns. The remaining $6-7 billion is believed to have originated from accrued interest on the maturing series (about $2 billion) and from the non-bank financial institutions and other sources. In an effort to limit the impact on financial institutions of the strong demand for CSBs, the individual purchase limit was reduced from $35,000 to $15,000.

Canadian equity markets in 1981 experienced major declines in almost all areas in marked contrast to the record levels reached in the previous year. Both the volume and value of shares traded dropped on all the major stock exchanges in 1981. For example, the value of trading on the Toronto Stock Exchange (TSE) fell by 15 per cent in 1981 to $25 billion and the total volume of shares traded was down 2.5 per cent to just over 1.5 billion shares. Despite the weakness in Canadian equity markets, net new issues of equities were a substantial $7 billion, only slightly less than the average for the previous three years.

Personal Sector

Consumer credit balances outstanding rose 10.0 per cent to $48 billion in 1981, only slightly faster than the rate of growth of current expenditures on consumer durables (Table 3.7). Following fairly strong growth in the first half of 1981, the growth of total consumer loans outstanding slowed in the latter half of the year and was no doubt related to the high level of interest rates as consumers appeared to be less willing to add to their debt load. The chartered banks continued to be the most active lenders, supplying almost two-thirds of all personal loans. However, primarily due to below-market interest rates offered by the North American automobile manufacturers, the sales finance companies affiliated with the automobile companies re-emerged as important lenders last year.

Despite higher mortgage interest rates, net mortgage investment by the major private financial institutions during 1981 amounted to $11.9 billion, up from the $10.0 billion recorded in 1980 (Table 3.8). A major part of this increased lending occurred in the first half of the year reflecting a brief upturn in the level of housing starts as well as sharply higher house prices in some markets, at least until mid-year. All the major groups of lending institutions, except credit unions, insurance companies, pension funds and caisses populaires, shared in the increase in total mortgage loans outstanding.

For some time now, mortgage lenders have been experiencing increased difficulty in matching the term structure of their mortgage loans and liabilities. In this respect the situation in 1981 was very much a continuation of earlier periods. As mortgage rates started to decline in the latter half of the year, longer-term mortgages were increasingly demanded by borrowers because of their concerns regarding future interest rate movements. However, many depositors have become increasingly reluctant to invest their funds for more than one year in view of the volatility of interest rates over the past few years. At the same time, lending institutions became con-

Table 3.7
Loans to Persons

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Consumer credit				
Chartered banks	2.9	3.5	3.7	2.9
(Credit cards)	(0.5)	(0.5)	(0.5)	(0.5)
Other deposit-accepting institutions[1]	1.3	1.1	0.8	0.3
Other lenders[2]	0.4	0.1	0.2	1.1
Total	4.6	4.7	4.6	4.3
Other loans to persons[3]	0.2	0.2	0.4	0.5
Total loans to persons	4.8	4.9	5.0	4.8
Percentage change in:				
Total consumer credit	15.3	14.0	12.1	9.8
Consumer expenditure	10.5	11.2	11.6	13.1
Consumer expenditure on durable goods	9.0	12.7	6.9	9.6

Note: Data may not add due to rounding. Flow data for 1981 are estimates of the Department of Finance.
[1] Credit unions and caisses populaires, Quebec savings bank, trust and mortgage loan companies.
[2] Department stores, sales finance and consumer loan companies and life insurance companies.
[3] Canada Savings Bond loans, other bank loans and trust and mortgage loan company secured loans.
Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Table 3.8
Mortgages

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Private lending				
Chartered banks[1]	3.8	4.3	3.3	4.4
Trust and non-bank mortgage loan companies[2]	3.8	4.2	2.6	3.8
Credit unions and caisses populaires	2.4	2.3	1.7	1.2
Insurance and pension institutions	2.2	2.3	2.1	1.9
Other private lenders[3]	1.5	0.4	0.3	0.6
Sub-total	13.7	13.5	10.0	11.9
Government sector lending	0.5	0.3	0.9	1.3
Total[4]	14.2	13.8	10.9	13.6

Note: Data may not add due to rounding. Flow data for 1981 are estimates of the Department of Finance.

(1) Includes chartered bank mortgage loan affiliates.

(2) Excludes chartered bank mortgage loan affiliates.

(3) Mutual funds, fire and casualty insurance companies, mortgage investment trust corporations, sales finance and consumer loan companies, Quebec savings banks, non-financial corporations and other private financial institutions.

(4) Excludes mortgage lending by persons and unincorporated businesses.

Source: Bank of Canada, *Review;* Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

cerned about matching the terms of their mortgage assets to the shorter terms of their deposit liabilities. By the end of the year there was a consequent tightening of the supply of funds allocated to longer-term mortgage loans, accompanied by a small increase in the rates charged, primarily due to an inability of lenders to attract longer-term funds.

As a result of a concern that high interest rates would have a serious impact on some 500,000 Canadian families that were expected to renew their mortgages during the year, a Task Force on Mortgage Renewal consisting of representatives from the Department of Finance, Canada Mortgage and Housing Corporation and the mortgage lenders held a series of meetings to explore measures that might be appropriate to help cushion the impact of such changes on borrowers. One technique which received a great deal of discussion, and which has been offered by a number of major financial institutions, is interest deferral. Interest deferral involves taking the difference between mortgage payments required for the contract mortgage rate and those required for some lower interest rate and adding it to the outstanding mortgage principal. Its main advantage is that it accommodates borrowers having temporary cash flow difficulties as a result of a sudden large change in interest rates by providing them more time to adjust their expenditure patterns.

It was also apparent that many mortgage borrowers attempted to lower their level of indebtedness and thereby helped to contribute to the slowdown in the growth of total mortgage loans outstanding in the second half of the year. In this regard, several lenders reported an unusually large number of borrowers who either paid off their mortgages or made substantial repayments at the time of renewal. Later in the year after interest rates eased, some lenders announced rollbacks of interest rates on mortgages that had been renegotiated at high rates over the July to November period.

Chartered Banks

Growth in total Canadian dollar major assets of the banking system was 24 per cent in 1981, up sharply from 11 per cent in the previous year.[1] Once again, the major source of strength in bank assets was business lending (Table 3.9). By the end of the year, bank credit to businesses was more than 30 per cent higher than the level at the end of 1980. While a large part of growth in loans was financed through deposit inflows of Canadian dollar deposits, the net foreign assets position of the banks widened in the latter half of the year.

The shift to short-term borrowing in financial markets led to a marked increase in the proportion of total credit supplied through the banking system from 33 per cent in 1980 to 62 per cent in 1981. Despite high interest rates, business loan demand was strong throughout the year. The proceeds from the increased level of bank loans by the non-financial business sector were used, in part, to help finance corporate takeover activity. Data available to the end of October show that almost 80 per cent of the $18 billion increase in bank loans in the first 10 months of the year, compared to 55 per cent over the same period in 1980, was accounted for by borrowers with large loan authorizations, many of whom were involved in such activity. The banks' market share of total domestic financing was also affected to some extent by the easing in the demands for consumer credit and mortgages in the second half of 1981. The strong growth of loans throughout 1981 resulted in the banks competing for large

Table 3.9
Chartered Bank Assets

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Canadian liquid assets	1.0	1.5	– 0.5	0.3
Treasury bills	0.5	1.1	0.8	0.5
Other	0.4	0.4	– 1.3	– 0.2
Less liquid assets	16.5	21.1	18.2	33.2
Ordinary personal loans	2.9	3.5	3.7	2.9
Mortgages	4.0	4.6	3.5	2.7
Business loans	3.3	11.0	10.1	21.3
Other bank loans	1.1	1.6	1.3	2.2
Corporate securities	3.7	– 0.3	– 0.6	2.4
Other assets	1.5	0.7	0.2	1.7
Total Canadian dollar assets	17.5	22.6	17.7	33.5
Foreign currency loans to residents[1]	2.3	1.1	2.9	9.7
Government of Canada[1]	1.6	– 1.3	0.4	– 0.7
Other[1]	0.7	2.4	2.6	10.4
Foreign currency securities of residents[1]	2.9	0.1	– 0.3	0.6
Total lending to Canadians	22.7	23.7	20.3	43.8

Note: Data may not add due to rounding. Data for 1981 have been adjusted to take account of the new reporting system.
[1] Foreign currency data are corrected to exclude the effect of changes in the exchange rate on the stock of the series.
Source: Bank of Canada, *Review*; and Department of Finance.

[1] Data for the chartered banks have been adjusted to take account of a new reporting system.

Table 3.10
Assets of Non-Bank Deposit-Accepting Institutions[1]

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Currency and deposits	0.4	0.0	0.4	1.9
Consumer credit	1.3	1.1	0.8	0.3
Other loans	0.2	0.6	0.6	0.6
Mortgages	6.6	8.0	7.1	7.5
Canadian marketable securities	1.2	1.3	3.2	1.7
Other assets	0.5	0.1	1.0	0.8
Total assets	10.1	11.1	13.1	12.8
(per cent change)	(18.8)	(17.5)	(17.7)	(11.3)
Deposits	8.9	9.3	10.7	10.6
(per cent change)	(18.8)	(16.4)	(16.6)	(12.1)

Note: Data may not add due to rounding. Flow data for 1981 are estimates of the Department of Finance.
[1] Includes trust and mortgage loan companies, credit unions and caisses populaires, and Quebec Savings Bank.
Source: Bank of Canada, *Review;* and Statistics Canada, *Financial Flow Accounts,* quarterly, cat. 13-002.

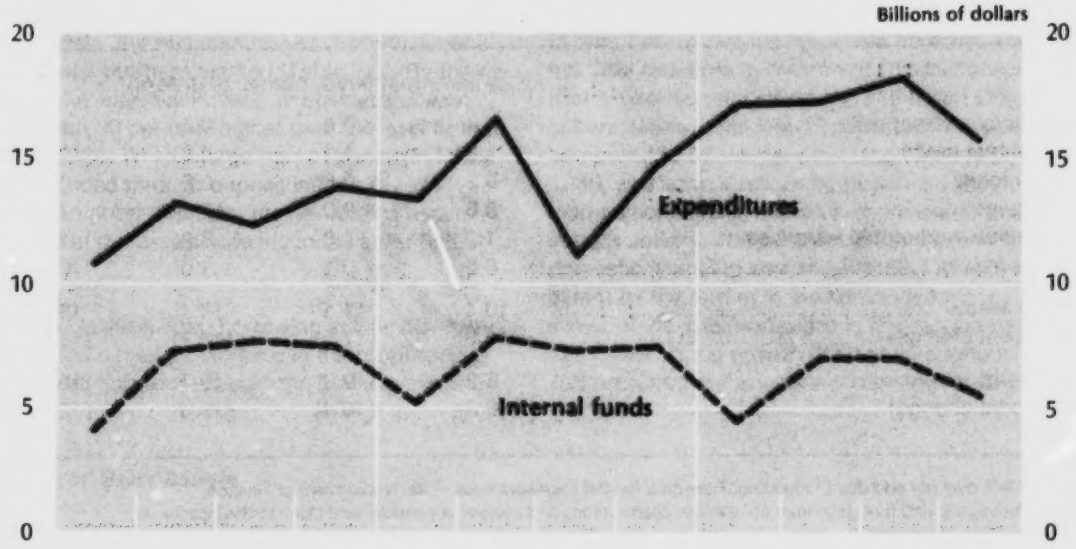
Table 3.11
Assets of Insurance Companies and Pension Institutions[1]

	1978	1979	1980	1981
	(net flows, billions of dollars)			
Changes in assets				
Currency and deposits	0.3	0.5	0.6	0.7
Loans	0.2	0.3	0.5	0.7
Mortgages	2.2	2.3	2.1	1.9
Bonds and short-term paper	5.3	7.0	6.6	6.4
Equities	0.5	0.8	2.4	3.7
Other assets	0.6	0.5	0.9	1.4
Total	9.0	11.3	13.1	14.8
(per cent change)	(15.9)	(17.2)	(17.0)	(16.7)

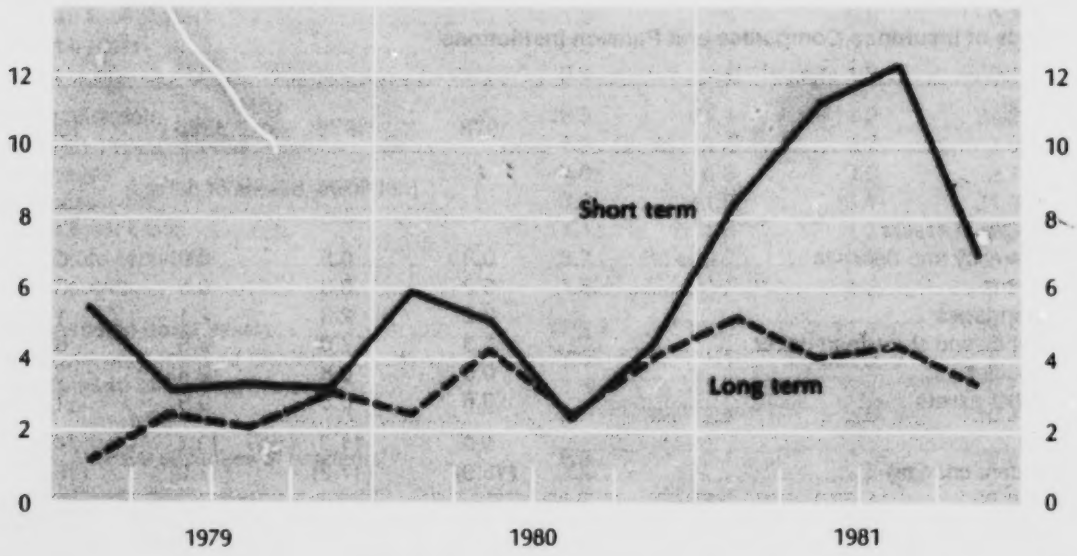
Note: Data may not add due to rounding. Data for 1981 are estimates of the Department of Finance.
[1] Includes life insurance companies and trusteed pension plans.
Source: Statistics Canada, *Financial Flow Accounts,* quarterly, cat 13-002; and Department of Finance.

Chart 3.5

Financing Patterns of Non-Financial Corporations



Net Funds Raised in Credit Markets



Source: Statistics Canada, *Financial Flow Accounts*; Bank of Canada, *Review*, monthly.

fixed-term deposits at several times during the year to fund their lending activities. High interest rates also made bank savings instruments attractive to individuals and were, once again, an important factor contributing to the strong growth of investment income.

Non-Bank Financial Institutions

Total assets of the near-banks in 1981 increased 11.3 per cent or $12.8 billion, as shown in Table 3.10. This rate of increase marks the fourth consecutive year of slower growth and reflects the importance of mortgages in their investment strategy. Mortgages comprise the largest part of their investment portfolios and the general slowdown in the demand for mortgages as well as a squeeze on interest rate margins have both contributed to the slower growth and less aggressive stance of these intermediaries. This has been particularly the case for the trust and mortgage loan companies.

Total assets of the credit unions and caisses populaires rose 12 per cent for the second consecutive year, down considerably from an average annual growth rate of more than 20 per cent over the previous 10 years. The credit union movement has also been under significant liquidity pressure because a large proportion of their assets is in fixed-term mortgages while rates paid on their savings deposits have had to be adjusted to maintain their competitive position.

Insurance companies and pension funds continued to experience a strong and steady demand for their instruments as shown in Table 3.11. Reflecting the weak demand for funds, investment in mortgage loans by life insurance companies and pension funds slowed through the year and greater emphasis was placed on corporate bonds and other assets. During 1981, these institutions increased their holdings of equities by some $3.7 billion and of bonds and short-term paper by some $6.4 billion. Life insurance policy loans also increased rapidly as the wide differential between the interest rate charged on policy loans and current market interest rates continued to make these loans increasingly attractive.

4. Personal, Housing and Business Sectors

Real consumer spending advanced 1.7 per cent in 1981, up from the 1.0-per-cent growth recorded in 1980 but significantly less than the average 6.5-per-cent growth which occurred during the period 1971-1976. The slow growth pattern of consumer expenditures established since 1977 therefore continued in 1981 despite the fact that real disposable income grew 4.1 per cent. The continued slow growth was a result of a variety of factors, the most important of which were record high interest rates, a high rate of inflation and continued economic uncertainty. The personal savings rate, which has shown a significant upward trend since the early 1970s, jumped further to 11.6 per cent in 1981. A large part of this trend increase in the savings rate, as conventionally measured, can be attributed to an acceleration in the rate of inflation during the 1970s. The inflation-adjusted savings rate increased only marginally during the inflationary period 1973-1981.

Housing starts in 1981 totalled 178,000 units, 12.2 per cent more than in 1980, but considerably less than the levels achieved during the 1968-1979 period. The level of starts fluctuated between a high of 246,300 units at annual rates in April and a 21-year low of 106,300 units in October. High and volatile interest rates and low vacancy rates were the principal factors responsible for this set of developments. Real residential investment increased 1.4 per cent in 1981 after having declined in six of the last seven years.

Real business investment in plant and equipment advanced 6.9 per cent in 1981, compared to 8.6 per cent in 1980. It was the third consecutive year in which business investment grew more rapidly than real GNP. The continued strong performance has occurred despite the fact that real interest rates reached record levels and corporate profits declined in 1981, and can be attributed mainly to structural factors, such as improved competitiveness of Canadian industries in the latter half of the 1970s and development of energy resources. There was an accumulation of inventories through the first three quarters of 1981, followed by a large swing to inventory run-off in the fourth quarter due to a need to adjust the inventory-to-sales ratio. The inventory cycle contributed significantly to the swings of real GNP during the course of the year. As profits weakened in 1981 and investment increased, the need for external borrowing rose substantially. The financial position of large industrial corporations showed signs of strain as debt-to-equity ratios increased.

Sources of Income

Nominal personal income and personal disposable income both increased at significantly higher rates in 1981 than in 1980, as indicated in Table 4.1. These higher rates reflected large increases in investment income and labour income. The growth in disposable income was less than that of personal income as a result of an increase in the average effective tax rate to 19.5 per cent from 18.8 per cent in 1980 (see Chapter 8 for details on tax changes).

The rate of increase of labour income, which includes wages, salaries, supplementary income and military pay and is the largest component of personal income, increased 1.9 percentage points to 13.8 per cent in 1981 mainly as a result of larger gains in average compensation per employee. Employment growth at 2.6 per cent in 1981 was very similar to that recorded in 1980.

Investment income grew 36.7 per cent due to record high nominal interest rates in 1981 and the build-up of financial assets as a result of high savings rates. Farm income, which often fluctuates significantly from year to year, advanced 58.6 per cent in 1981. This largely reflected record or near-record grain crops and increased exports, along with higher prices for most farm products.

After adjusting the nominal figures by the consumer expenditure implicit price index, real personal disposable income, as conventionally measured, advanced 4.1 per cent in 1981, as indicated in Table 4.8, significantly up from the 1.1-per-cent increase in 1980.

Table 4.1
Sources and Disposition of Personal Income

	1977	1978	1979	1980	1981
	(percentage change)				
Sources of income					
Labour income[1]	10.2	9.0	11.6	11.9	13.8
Net farm income	– 14.8	20.3	9.7	– 11.6	58.6
Net non-farm unincorporated business income	8.0	5.8	8.9	8.9	10.4
Interest, dividends and other investment income	12.9	24.2	17.3	16.2	36.7
Transfer income	14.0	12.8	5.1	15.1	12.5
Personal income	10.3	11.0	11.2	12.2	16.6
Personal disposable income	10.0	12.0	11.4	11.8	15.7
Disposition of personal income					
Consumer expenditure	10.5	10.4	11.3	11.6	13.0
Personal direct tax[2]	11.3	6.7	10.3	14.4	20.5
Transfer payments[3]	6.4	20.6	46.6	27.9	40.4
Savings	6.4	24.9	6.6	9.3	32.3
			(per cent)		
Effective average tax rate	19.4	18.6	18.5	18.8	19.5

[1] Includes military pay and allowances.
[2] Includes all current transfers to government.
[3] Includes interest on consumer debt and transfers to non-residents.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Personal Expenditure

There was a modest increase in the growth rate of real consumer spending in 1981 to 1.7 per cent from 1.0 per cent in 1980. Compared to 1980, the growth in expenditures on durables, semi-durables and non-durables increased and on services slowed.

The small increase in the growth rate of real consumer spending in 1981 occurred as real personal disposable income advanced 4.1 per cent in 1981 compared to only 1.1 per cent in 1980. The increase in consumer spending lagged significantly behind the increase in real disposable income due mainly to the record levels of real interest rates. High real interest rates, in addition to directly discouraging spending, also led to a diversion of funds away from personal expenditure to repayment of mortgages. The durable category of consumer expenditure, which is most sensitive to interest rate developments, showed the smallest increase at 0.5 per cent, as shown in Table 4.2. Other factors constraining the growth of consumer spending relative to the growth of real disposable income were the continuation of economic uncertainty and the relatively larger increases in farm income and investment income compared to other income sources. The heightened degree of uncertainty was a result of the continued high unemployment rate and the increased variability of inflation and interest rates. Also, the marginal propensity to consume out of farm income because of a large transitory component, and out of investment income because of the impact of high inflation and high interest rates, was probably quite small.

The distribution of total consumer expenditure in constant 1971 dollars has changed quite signifi-

Table 4.2
Percentage Share and Growth of Consumer Expenditure Categories[1]

	Share of total consumer expenditure				Rate of change			
	Average 1971-78	1979	1980	1981	Average 1971-78	1979	1980	1981
	(per cent)				(percentage change)			
Durables	16.8	17.9	17.4	17.2	9.2	4.4	– 1.6	0.5
Autos and repairs	7.7	7.8	7.2	7.0	7.3	3.7	– 6.2	– 1.1
Household furniture and appliances	4.2	4.2	4.2	4.1	7.6	2.8	0.2	– 0.6
Recreation equipment	5.0	5.8	6.0	6.0	13.9	6.6	3.3	– 3.3
Semi-durables	13.6	13.9	13.6	13.8	6.5	0.9	– 1.2	2.8
Clothing and footwear	8.1	8.6	8.5	8.8	6.7	2.4	– 0.1	4.8
Household furniture	3.7	3.5	3.5	3.3	7.3	– 0.8	– 0.6	– 2.9
Books and newspapers	1.2	1.1	1.1	1.1	– 2.2	– 1.9	0.6	5.1
Jewellery	0.7	0.7	0.5	0.5	7.8	– 3.5	– 21.5	4.6
Non-durables	29.6	27.9	27.8	27.6	3.9	1.2	0.6	1.0
Food, beverages and tobacco	19.8	18.1	18.0	18.0	3.3	0.6	0.4	1.8
Gasoline, oil and grease	2.9	2.9	2.9	2.7	5.9	2.9	0.6	– 4.0
Household supplies	1.4	1.4	1.3	1.3	5.8	2.5	– 4.0	– 0.9
Drugs and sundries	1.5	1.6	1.6	1.7	8.0	2.7	3.0	5.1
Household electricity and gas	3.1	2.9	2.9	2.8	2.6	0.8	1.3	– 1.1
Toilet articles	1.0	1.0	1.1	1.0	8.8	3.4	3.4	2.1
Services	40.0	40.3	41.2	41.0	5.0	1.9	3.2	1.4
Transportation and communications	4.8	5.3	5.6	5.6	7.4	7.6	5.6	2.0
Rent	14.6	14.8	15.2	15.3	4.0	3.8	3.7	2.5
Household	1.0	0.8	0.8	0.8	0.3	– 1.7	– 1.9	2.1
Medical	1.6	1.6	1.5	1.6	1.2	1.5	– 1.2	2.3
Personal	12.9	13.2	13.5	13.7	5.6	2.7	2.7	3.3
Recreation, educational, cultural and other	5.1	4.5	4.6	4.1	7.1	– 10.5	2.7	– 8.8
Consumer expenditure	100.0	100.0	100.0	100.0	5.6	2.0	1.0	1.7

[1] All estimates are obtained using consumer expenditures in constant 1971 dollars.
Source: Statistics Canada, *National income and Expenditure Accounts*, annual, cat. 13-201.

cantly over the last decade. As shown in Table 4.2, the share spent on services has increased significantly over time and that of non-durables has declined. Although the shares of durables and semi-durables in total consumer spending were somewhat higher in 1981 relative to their 1971-1978 averages, these shares have recently been fluctuating considerably.

A number of factors affect the consumer's decision on how his expenditures are allocated. Some of these factors are the level of real personal income, stocks of goods owned, levels of expenditures in earlier periods, changes in relative prices, changes in demographic factors, levels of real and nominal interest rates, tax policies and changes in the rates of inflation and unemploy-

ment. The year 1981 witnessed relatively large changes in relative prices, an acceleration in the rate of inflation, and large increases in nominal and real interest rates. Increases in prices of durable and semi-durable goods were considerably smaller than the average increase in the consumer expenditure deflator, while relative prices of non-durables increased significantly more rapidly. As a result, the increase in the volume of consumer expenditures on non-durables lagged behind, and on semi-durables led, the overall increase in consumer expenditures. Historically high interest rates kept the increase in expenditures on durables significantly below the increase in total expenditures on goods and services.

Expenditure, Relative Prices and Income

As indicated above, relative price changes and real income growth are two of the most important factors which influence the composition of consumer expenditure. Relative price changes are important since an increase in the price of a commodity relative to others creates incentives to look for substitutes, with the degree of substitution depending upon the nature of the commodity

Table 4.3
Estimated Elasticities for Consumer Expenditure[1]

	Impact elasticity[2]	Long-run elasticity[2]
In response to changes in real disposable income		
New passenger cars	2.22	1.14
Other durables	0.53	1.07
Semi-durables	0.47	0.76
Food	0.20	0.58
Fuel	0.17	0.76
Other non-durables	0.28	0.69
Services excluding rent	0.21	0.89
Rent	0.0	0.10
Total	0.34	0.72
In response to changes in relative prices		
New passenger cars	– 0.63	– 0.18
Other durables	– 1.43	– 1.05
Semi-durables	– 0.37	– 0.52
Food	– 0.66	– 0.70
Fuel	– 0.23	– 0.58
Other non-durables	– 0.62	– 0.49
Services excluding rent	– 0.48	– 0.44
Rent	0.0	0.0

[1] Elasticity is the change in volume of consumption relative to a given change in relative prices or real disposable income. Estimates of elasticities can vary due to the particular specification of an equation, the time period over which the equation is estimated, the method of estimation used and the manner in which expenditure, income, prices and other explanatory variables in the equation are measured. Interested readers are invited to contact the Macro-Analysis Section of the Economic Analysis Division at the Department of Finance for detailed information on the process used to derive the above estimates.

[2] Impact elasticity gives the first quarter effect, and long-run elasticity the long-run effect, on demand of changes in real disposable income and relative prices.

Source: Department of Finance.

itself. Real income changes are important in determining the composition of consumer spending because increases in income lead people to spend proportionately more on items which are relatively less essential and therefore can be more easily afforded at higher income levels.

Table 4.3 provides some estimates of impact and long-run consumer expenditure elasticities. The term elasticity here is defined to mean the percentage change in the volume of consumption of a commodity relative to a given percentage change in relative prices or real disposable income. The impact elasticity is the initial quarterly impact of a change in relative price or income; the long-run elasticity is an estimate of the longer-run effect.

Consumer spending elasticity in response to real income change is relatively high for passenger cars, other durables and semi-durables in the short term. For the long run, this elasticity is relatively high for passenger cars, other durables and services excluding rent. This means that the growth of income would, over time, lead to sizeable increases in shares of durables and services in total expenditure, other things remaining the same.

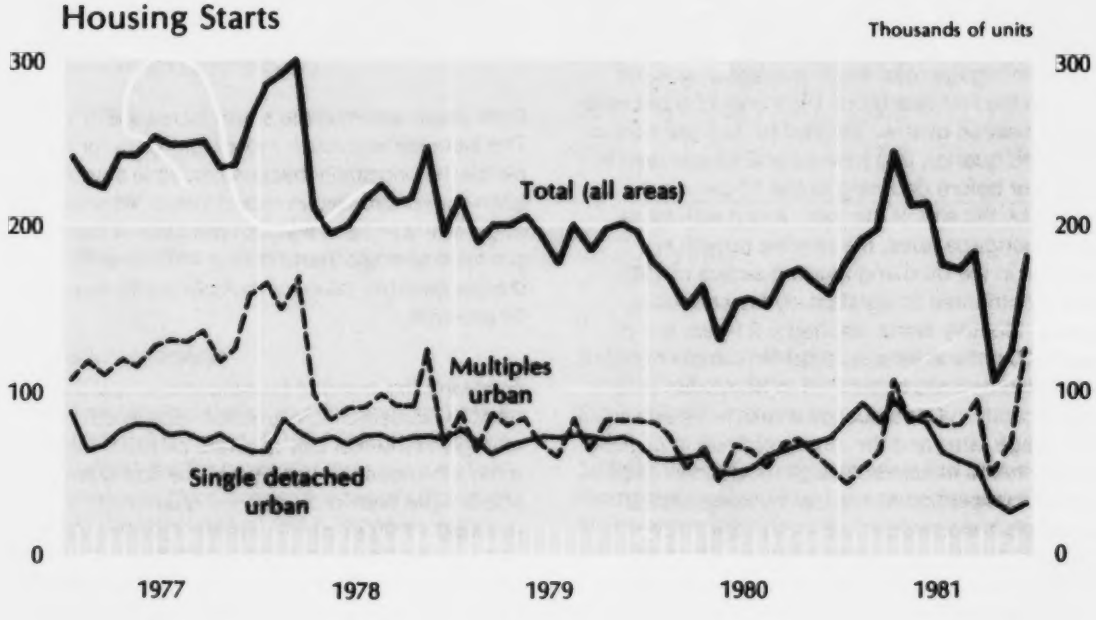
Given changes in relative prices, the impact elasticities are large for durables, food and other non-durables. The long-run elasticities are large for durables other than autos, food and fuel. Given that relative prices of food and energy have increased over the last few years, it is not suprising that their shares of total real personal expenditure have recently declined relative to historical levels.

Housing Starts

Housing starts in 1981 totalled 178,000 units, significantly higher than the 158,600 starts in 1980 (Table 4.4), but considerably lower than the levels achieved during the period 1968-1979. The volume of spending on housing advanced 1.4 per cent in 1981 after declining 10.6 per cent in 1980.

Chart 4.1

Housing Starts



Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*, annual.

Table 4.4
New Housing Indicators

	1977	1978	1979	1980	1981
			(percentage change)		
Real residential construction expenditure	– 6.3	– 3.3	– 7.3	– 10.6	1.4
			(thousands)		
Housing starts	245.7	227.7	197.0	158.6	178.0
Urban—Singles	74.6	72.9	72.9	60.7	63.4
Multiples	125.6	105.8	78.8	64.3	79.0
Total	200.2	178.7	151.2	125.0	142.4
			(per cent)		
Conventional mortgage rate	10.4	10.6	12.0	14.3	18.2

Source: Statistics Canada, *Canadian Statistical Review*, monthly, cat. 11-003; *Bank of Canada Review*, monthly; and Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*, annual.

Strong income growth, expectations of even higher mortgage rates, the underlying housing demand and the relatively low level of completed but unoccupied units led to a strong recovery in the housing construction market in the first two quarters of 1981. Housing starts reached a peak annual rate of 246,300 units in April. The conventional mortgage rate, which averaged 15.4 per cent in the first quarter of 1981 and 17.6 per cent in the second quarter, jumped to 20.6 per cent in the third quarter, and peaked at 21.5 per cent in October before declining to the 17-per-cent range by the end of the year. Along with these high mortgage rates, the slowing growth in income in the third and fourth quarters of 1981 also contributed to significantly lower housing starts. Monthly starts reached a 21-year low of 106,300 units at an annual rate in October. The market recovered somewhat in November and significantly in December as a result of declining mortgage rates and the strong pick-up in multiple starts due to the scheduled termination in 1982 of the multiple unit residential building (MURB) program announced in the November 1981 budget. The budget stipulated that soft costs under the MURB program would not be allowed immediate full tax write-off after December 31, 1981. The only exceptions would be cases where the footing or base support of units under MURBs were already in place by December 31, 1981, or where arrangements for construction were substantially advanced before November 13, 1981 with the footing and base support to be in place by May 31, 1982. Multiple starts in early 1982 may thus also be stimulated to a limited extent by the expiration of the MURB provision.

Both single and multiple starts increased in 1981. The increase was much more significant for multiple starts, principally because multiple starts had been very depressed in recent years. Whereas single starts in 1981 were 86 per cent of the average level of single starts during 1977 and 1978, the comparable value for multiple starts was only 68 per cent.

Following this trend of housing starts, real investment in residential construction recovered strongly in the first two quarters of 1981. Investment advanced 5.7 per cent in the first quarter and 6.1 per cent in the second quarter. It declined 11.6 per cent in the third quarter of 1981 and another 10.8 per cent in the fourth quarter. For the year as a whole, residential investment was up 1.4 per cent. This was the first increase in real residential construction expenditure since 1976.

Table 4.5
New Business Capital Expenditures[1] (Current dollars)

	Share of total in 1981	1979	1980	1981
	(per cent)	(percentage change)		
Non-energy				
Agriculture and fishing	8.5	25.3	2.1	5.9
Mining	5.1	33.9	52.9	29.1
Forestry	0.5	25.7	5.1	– 12.8
Manufacturing	21.3	22.3	28.4	25.0
Construction	2.4	12.6	9.8	18.5
Total goods-producing sector	37.8	23.6	20.9	19.5
Transportation, storage and communication	12.1	21.7	15.9	18.0
Trade	3.6	31.0	4.5	16.3
Finance, insurance and real estate	8.2	28.5	14.6	26.0
Community, business and personal services	7.8	28.4	11.8	3.8
Total services sector	31.7	19.1	11.2	15.8
Total non-energy	69.5	20.9	15.1	17.8
Energy				
Electric power	13.4	8.0	0.0	21.7
Petroleum and gas extraction	12.0	35.0	56.8	6.6
Pipelines	3.2	– 29.0	136.7	191.5
Gas distribution	0.8	12.7	32.6	12.7
Petroleum and coal products	1.1	– 25.8	45.6	90.3
Total energy	30.5	13.1	24.2	23.6
Total	100.0	18.9	17.2	19.5

[1] Excludes investment for housing, institutions and for public administration.
Source: Statistics Canada, *Private and Public Investment in Canada*, annual, cat. 61-206.

Fixed Investment

Real business investment in new plant and equipment rose 6.9 per cent in 1981 (see Table 1.1). This marked the third consecutive year in which business investment grew more rapidly than real GNP. In the latter half of 1981, however, slower growth in investment began to emerge in response to weak product demand, declining rates of capacity utilization, lower profit margins and continued high levels of interest rates. This three-year investment cycle continued the historic pattern over the past 20 years where three years of relative investment strength generally follow three years of relative weakness.

Despite the likely cyclical moderation in investment, there continue to be more permanent or structural reasons contributing some underlying strength to the investment outlook. These factors include new market opportunities resulting from the improvement in international competitiveness in the latter half of the 1970s, the development of Canada's large resource base in energy and

other raw materials, the adjustment of productive processes to reflect the relative increase in the cost of energy, and the adjustment to shifting consumer demand patterns arising from such factors as demographic changes, internal migration and relative price movements. As a reflection of this basic underlying strength in investment, business investment as a share of GNP was 17.0 per cent in 1981. This proportion matched the previous peak achieved during the surge in mining investment in 1957.

Business investment in nominal dollars increased 19.5 per cent in 1981. As indicated in Table 4.5, energy investment rose 23.6 per cent while non-energy investment increased 17.8 per cent. Investment outlays for pipelines nearly tripled, and by the petroleum and coal product industry nearly doubled, that for 1980. New investment for electric power increased nearly 22 per cent after levelling off in 1980. The increase in non-energy investment was led by rises of 29 per cent in mining, largely for metal mines, and 25 per cent in manufacturing. Particular investment strength was shown by the chemical, the paper and allied products and the transportation equipment industries. The largest gain in the service sector was recorded by the finance, insurance and real estate group with an increase of 26 per cent, with the bulk of the increase attributable to higher outlays by real estate developers.

In volume terms, new investment in non-residential construction rose 8.4 per cent in 1981. Energy investment was a major contributor to this advance as roughly 75 per cent of energy outlays were for construction purposes. Mining investment was a second major contributor as about 70 per cent of the industry outlay was for construction. As well, nearly all of the increase in real estate outlays was for construction. New investment in machinery and equipment rose 5.6 per cent in 1981. Investment by the manufacturing industry and for new energy sources were the main contributors to this advance.

Inventories

Inventory movements contributed significantly to the swings in real GNP in 1980 and 1981. In the recession in the first half of 1980, a moderate amount of inventory accumulation took place which raised the overall inventory-to-sales ratio. Corporations then sought to reduce their levels of inventories in the second half of 1980. The recoveries in consumer spending and export sales led to a substantial reduction of inventories in this period. The inventory decline probably ran beyond intentions and in the first half of 1981 there was an accumulation despite final domestic demand growing at an annual rate of 4 per cent. In the third quarter, final domestic demand fell sharply and led to a large accumulation of inventories. In an effort to reduce inventories due to slow sales and high interest rates, there were widespread layoffs in the goods-producing industries in the fourth quarter. This led to an actual drop in inventory levels in the final quarter. Moreover, the swing from a large accumulation in the third quarter to a reduction in the fourth quarter was a major contributor to the weakness in real GNP in the final quarter.

On an industrial basis, the accumulation in the first half of 1980 occurred at the manufacturing and wholesale levels as retail inventories were allowed to run down. The decline in inventories in the second half of 1980 took place across the three levels of production, retail and wholesale distribution. In 1981, retail inventories declined in the first quarter but increased in the remainder of the year. While manufacturing inventories rose throughout the year, the behaviour of wholesale inventories was marked by successive periods of increases and decreases.

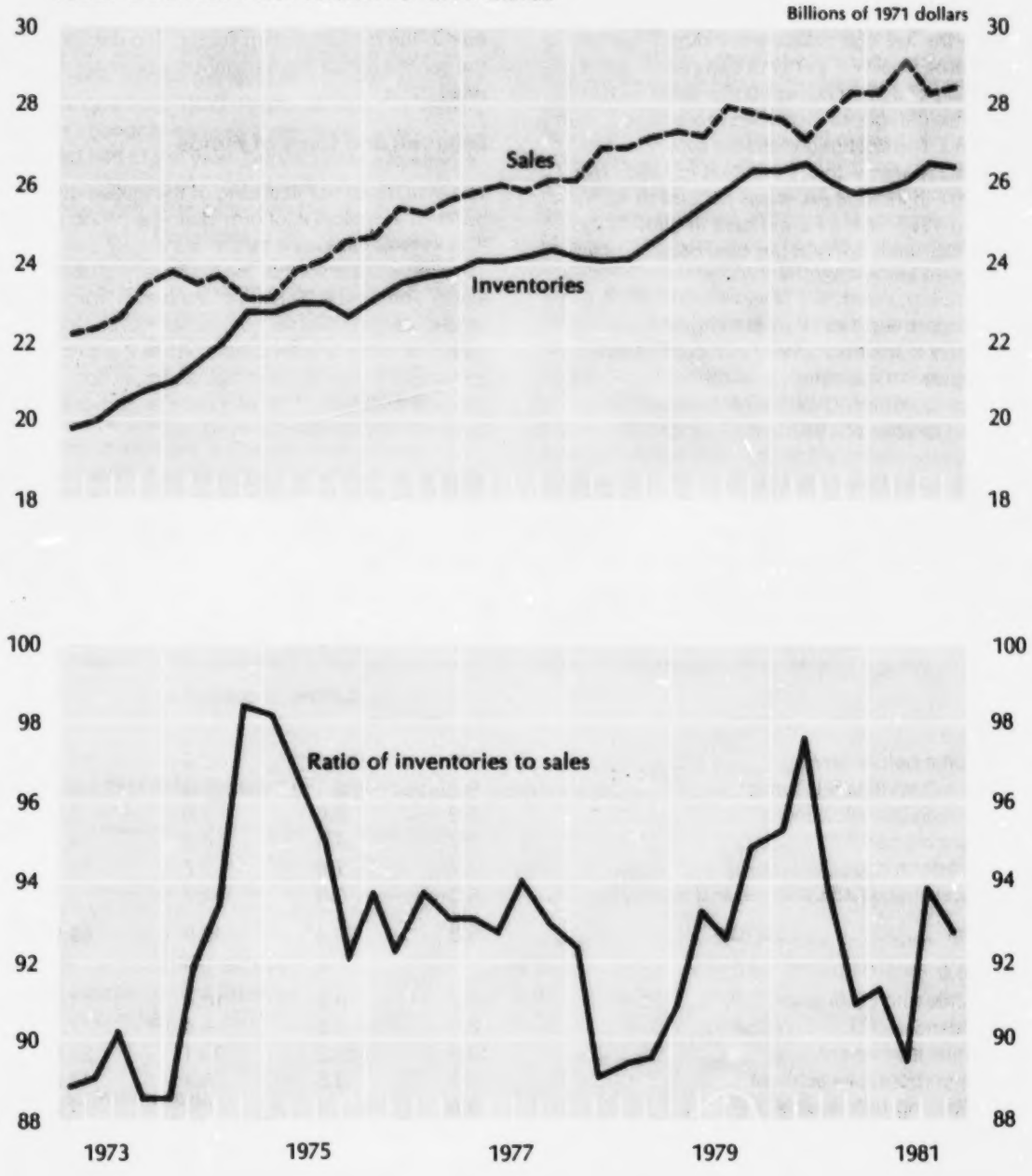
Business Profitability

Corporate profits before taxes declined 8.9 per cent on a national accounts basis in 1981, the first decline since 1975 when profits fell 2.0 per cent. Profits as a share of net national income fell from 16.3 per cent in 1980 to 13.4 per cent in 1981, to mark the lowest proportion since 13.1 per cent in 1977. On a quarterly basis, the decline in profits began in the second quarter of 1981, or one quarter in advance of the beginning of the decline in real GNP.

Industrial profit margins have trended downward from a peak of 8.3 per cent (net income as a percentage of sales) in the second quarter of 1980 to 5.4 per cent in the third quarter of 1981. This downward trend continued through periods of

Chart 4.2

Real Business Inventories and Sales[1]



[1]Sales include consumer expenditure on goods, business investment (including residential construction), exports of goods, government non-wage current expenditure, and government investment.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001 and Department of Finance.

strong and weak product demand. Operating expenses grew more rapidly in 1981 than in 1980 but weak sales demand meant that not all of the cost increases were passed on to buyers. In 1981, the average increase in industrial operating expenses was 14.7 per cent compared with a rise of 13.0 per cent in current dollar sales. Most expense categories increased more rapidly than in 1980. The cost of goods sold rose 12.5 per cent compared with 9.5 per cent in 1980. The increase in interest expenses jumped to 42.5 per cent in 1981 from 27.6 per cent in 1980. Other expenses were up 14.8 per cent compared with 11.5 per cent in 1980.

The largest declines in profit margins have occurred in the traditionally cyclical industries — mining and manufacturing — rather than in the service industries. Over the period from the second quarter of 1980 to the end of 1981, margins fell sharply in the metal and mineral industries in the mining sector, and in the paper and allied products, machinery, transportation equipment, non-metallic and petroleum and coal industries in the manufacturing sector. The declines in the service sector were mainly in wholesale and retail trade.

Sources and Uses of Funds

The analysis of the financing of the investment boom in a cyclical economy during a period of high interest rates can be carried out by constructing a statement of the sources and uses of funds. The data in Table 4.6 are drawn from the data on large industrial companies having $10 million or more of total assets. While it would be preferable to use detailed figures for all non-financial business or for all industrial corporations, these data are not available.

Table 4.6
Sources and Uses of Funds of Large Industrial Corporations

	1978	1979	1980	1981
		(billions of dollars)		
Sources				
Income before taxes	14.9	22.1	26.4	25.4
Net extraordinary income	– 0.2	– 0.1	0.9	0.6
Depreciation allowances	5.9	6.6	7.6	8.7
Share capital	2.7	4.4	6.0	4.2
Long-term debt	5.7	7.0	9.7	19.5
Miscellaneous adjustments and residual	0.3	– 0.8	– 0.7	1.5
Total	29.3	39.1	49.9	59.9
Uses				
Income and other taxes	5.7	8.5	10.4	11.0
Dividends	3.8	5.5	6.4	7.5
Capital investment	13.8	18.2	24.1	28.6
Intercorporate investment	1.7	3.5	6.4	10.8
Other long-term assets	0.8	– 1.1	– 1.4	1.3
Working capital[1]	3.5	4.5	4.0	0.7
Total	29.3	39.1	49.9	59.9

[1] Working capital is a net concept defined as current assets minus current liabilities. Short-term debt is a component of current liabilities and thus does not appear separately as a source of funds.

Source: Statistics Canada, *Industrial Corporations Financial Statistics*, quarterly, cat. 61-003.

Income before taxes, or profits, is the main source of funds for industrial corporations. Profits rose sharply in 1978 and 1979, as real GNP increased 3.7 and 3.0 per cent respectively in those two years. Industrial profits rose again in 1980 even though the level of real GNP was unchanged from 1979. Profits declined in 1981 as the economy entered a recession in the second half of the year. Depreciation allowances, a second source of internal financing, tend to increase each year, reflecting the stock of investment in place. Variations in the yearly growth rate of these allowances occur mainly from possible changes in the tax treatment for depreciation and rapid changes in recent investment flows. The weakening in the availability of internal financing, together with the continued growth in fixed investment in 1981, meant that there was a greater need to use external funds. There was a substantial increase in the use of long-term debt[1] (defined as having a maturity of more than one year) as a source of funds, as shown in Table 4.6. Share capital, which had risen as a share of external financing in 1979 and 1980, declined in 1981 as the stock market weakened.

The main use of funds is for capital expenditures to increase or to improve productive capacity and efficiency. The strength of the investment boom can be seen in the sharp rise in expenditures between 1978 and 1981. Taxes are normally the second largest use of funds, accounting for about 20 per cent of the total use of funds. The third most important use of funds in 1980 and 1981 was inter-corporate investment and takeovers both in Canada and abroad. An important element in the use of funds is the change in working capital — the change in current assets less current liabilities. While working capital should normally increase to reflect the growth in size of companies, there are three reasons for sharp short-term swings in this measure. First, in the early stages of an economic expansion, corporations may decide initially to invest undistributed profits in short-term funds as a form of saving to finance later investments. This process initially would tend to increase the amount of working capital. Second, as the investment program begins, these short-term investments may then be used along with other sources of funds to finance the spending, which would tend to reduce working capital if the accompanying external financing was not in the form of short-term debt. Third, in an environment of volatile interest rates, companies may step up their use of short-term debt. These three factors were at work over the

Table 4.7
Selected Financial Ratios[1] of Large Industrial Corporations

	1977	1978	1979	1980	1981
			(ratios)		
Internal funds/capital outlays	0.77	0.82	0.83	0.70	0.57
Liquid assets/current liabilities	0.89	0.94	0.90	0.87	0.83
Total debt/equity	1.23	1.26	1.26	1.26	1.35
			(per cent)		
Profit margin on sales	7.3	8.1	10.3	9.7	6.8
Interest charges as share of operating expenses	1.8	1.9	2.0	2.2	3.3

[1] The ratio of internal funds to capital outlays is based on full-year data for 1977 to 1980 and on data for the first three quarters of 1981. All other ratios are calculated for the third quarter of each year for purposes of comparability.
Source: Statistics Canada, *Industrial Corporations Financial Statistics*, quarterly, cat. 61-003; and Department of Finance.

[1] For a discussion of the growth in short-term borrowing see Chapter 3 and footnote 1 of Table 4.6.

period from 1978 to 1981 as working capital rose sharply in 1979, increased less rapidly in 1980 and increased by a much smaller amount in 1981. Dividends, the fourth major use of funds, trended upwards in dollar terms between 1978 and 1981 but declined as a share of the use of funds.

Financial Ratios

Financial positions of large Canadian industrial corporations have begun to show some strain, reflecting the pressures of financing the mature stage of an investment program in a period of high interest rates, declining sales and falling profits. In 1981, there was a further reduction in corporate internal financing of new fixed investment as evidenced by the fall in the ratio of internal funds to capital outlays (Table 4.7). As a counterpart to this decline, there was an increase in corporate indebtedness to credit markets in 1981 as shown by the rise in the total debt-to-equity ratio. As well, there was a continuation of the downward trend in corporate liquidity as measured by the ratio of liquid assets to current liabilities. In 1981, this development was due to a decline in liquid assets and a rise in current liabilities while in 1980 the decline in the ratio was due to a moderate increase in liquid assets compared with a larger increase in current liabilities.

While the above examination of financial ratios suggests that there is some strain for the average large industrial corporation in Canada, the ratios do not suggest a position of extreme difficulty. The squeeze on the liquidity ratio normally occurs at this stage of the business cycle. This ratio normally increases once the economy enters the expansionary phase of a cycle. Debt ratios remained stable from 1977 to 1980 as both debt and equity expanded at the same pace. During 1981, equity again increased although at a slower pace than total debt. Moreover, preliminary investment intentions for 1982 indicate significant strength in spending plans.

Appendix

Inflation-Adjusted Savings and Disposable Income

It is useful to consider the special impact of high nominal interest rates and inflation on real investment income. Conventional estimates of real disposable income include total nominal investment income with other types of nominal income and then "deflate" the total nominal income series by some price index, such as the CPI or the consumer expenditure implicit price index. But investment income, or income from capital, is affected in an additional way by inflation. Part of interest receipts may be regarded as an inflation premium which in effect compensates lenders for the expected decline in the purchasing power of their principal which is fixed in current dollar terms. The inflation premium component amounts to a repayment of a part of the real value of the loan; for analytical purposes, it should not be included among the income of lenders and expenditure of borrowers. Thus, in the case of investment income, an appropriate analytical procedure is first to calculate an "inflation-adjusted" series in current dollars, which is obtained by subtracting the decline, measured in current dollars, in the real value of the principal on which the interest was earned from the recorded nominal investment income. This inflation-adjusted investment income series is then included with other nominal income components, wages and salaries, farm incomes, etc., and the resulting inflation-adjusted personal income series, still in current dollars, is then deflated by a price index to obtain a real or constant dollar income series.

With the personal sector being at the same time a lender and a borrower, both real personal disposable income and personal expenditure are over-estimated in periods of inflation in the absence of special adjustment to investment

Table 4.8
Illustrative Inflation-Adjusted Personal Savings Rate and Growth Rate of Real Personal Disposable Income[1]

	Savings rate		Real personal disposable income	
	Measured	Inflation-adjusted	Measured	Inflation-adjusted
	(per cent)		(percentage change)	
1963	5.4	4.3	4.7	5.3
1964	4.2	2.8	4.6	4.2
1965	5.5	3.6	7.6	6.4
1966	6.7	3.8	6.5	4.1
1967	6.3	3.4	4.5	4.5
1968	5.6	2.1	4.3	3.1
1969	5.4	2.1	4.7	4.9
1970	5.3	3.4	2.4	5.2
1971	5.9	3.6	8.4	7.5
1972	7.4	4.2	9.2	6.8
1973	9.1	2.9	9.1	1.4
1974	9.9	1.1	6.6	– 0.4
1975	10.9	5.5	6.2	14.5
1976	10.0	6.5	5.3	10.2
1977	9.7	4.8	2.5	– 1.7
1978	10.8	6.5	4.3	4.8
1979	10.3	4.7	2.1	– 1.8
1980	10.1	2.6	1.1	– 2.0
1981	11.6	4.7	4.1	5.6
Average				
1963-1972	5.8	3.3	5.7	5.2
1973-1981	10.3	4.4	4.6	3.4

[1] Using the deflator for consumer expenditure on goods and services.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

income. Overall though, the personal sector is a net lender to other sectors of the economy. The inflation-caused measurement error is, therefore, larger in the case of personal income than in the case of personal expenditure estimates, and as a result the personal savings rate is overstated.

As in other areas of inflation accounting, there is no consensus as to the precise approach which should be taken to adjust national accounts personal disposable income and savings data; there is thus considerable uncertainty as to the portion of interest receipts and payments which should be treated as corresponding to the inflation premium. One approach would base the adjustment on the expected rate of inflation prevailing at the time of issue of each element of the portfolio of financial assets and liabilities of the personal sector. This involves the difficult problem of measuring expected inflation at a particular point in time and requires detailed information on the maturity structure of personal assets and liabilities.

An alternative approach to this adjustment is to base it on the decline in the real value of personal sector holdings of fixed-yield financial assets

(both interest and non-interest bearing), using the actual rate of inflation during the year. Table 4.8 illustrates the impact of an adjustment based on the latter approach with actual inflation measured by the implicit price index for consumer expenditure. It should be stressed that this approach results in a considerably larger adjustment in periods when inflation accelerates than would the approach based on expected inflation, where the inflation premium may reflect inflation expectations several years in the past.

Personal sector holdings of financial assets (not including equity capital) amounted to $357.6 billion at the beginning of 1981, and net assets totalled $161.9 billion. With an increase in the consumer expenditure implicit price index of 10.5 per cent during 1981 (fourth quarter over fourth quarter), adjustment for inflation reduces personal disposable income by $37.5 billion or 17 per cent and savings by $17 billion or 66 per cent in 1981. These adjustments, which are similar to those made for other years of the post-1973 inflationary period, reduce the personal savings rate in 1981 from 11.6 per cent to 4.7 per cent. Comparing the period 1973-1981 with the period 1963-1972, the average "measured" personal savings rate increased by 4.5 percentage points to 10.3 per cent, while on an inflation-adjusted basis the increase was 1.1 percentage points to 4.4 per cent. Inflation adjustment also reduces the growth in real personal disposable income during 1973-1981. The "measured" annual growth in real disposable income slowed from an average of 5.7 per cent during 1963-1972 to 4.6 per cent during 1973-1981, a decline of 1.1 percentage points. The inflation-adjusted series for real personal disposable income shows a 1.8-percentage-point decline to 3.4 per cent over the same period.

5. The Labour Market

In 1981, the labour market in Canada, mirroring the real growth performance of the economy, was characterized by two quarters of strong performance followed by two quarters of weakness. Employment advanced strongly in the first two quarters, stagnated in the third and declined rapidly in the fourth quarter. The seasonally adjusted national unemployment rate generally declined until August when it reached 7.1 per cent, but jumped very quickly to 8.2 per cent in September. The fourth-quarter unemployment rate averaged 8.4 per cent compared to the 1981 average of 7.6 per cent and the 1980 value of 7.5 per cent. Employment increased 2.6 per cent in 1981 following the 2.8-per-cent growth in 1980. Total employment as a proportion of the working-age population increased to a record 59.8 per cent in 1981 from 59.2 per cent in 1980. The number of persons unemployed increased to 898,000 in 1981 from 867,000 in 1980 as the 2.7-per-cent growth in the labour force more than offset the employment gain. Table 5.1 summarizes major changes in labour market conditions in the last decade.

Labour Supply

A dominant characteristic of the Canadian labour market in the 1960s and 1970s was the marked increase in the labour force, which outpaced that of other OECD nations. The unusual growth of the labour force in Canada over that period stemmed from the growth of the domestic working-age population due to the maturing of those born during the baby boom, and from increases in participation rates — particularly for youths and adult women. These factors also led to increases in the share of the labour force accounted for by youths and adult women, as is shown in Table 5.2. However, changes in the growth patterns of various components of the labour force in 1980 and 1981 again indicate a change in the composition of the labour force, which can be expected to continue into the early 1980s. The major elements of this compositional shift are a decline in the share of the youth population and a further increase in the share of adult women in the labour force.

The labour force grew at an average annual rate of 3.2 per cent in the 1970s, 2.8 per cent in 1980, and a marginally lower 2.7 per cent in 1981. The slowdown in 1981 was entirely attributable to the continuing slow growth of the youth labour force, partly reflecting the transition of the postwar baby boom generation into the adult age group.

Growth in the population of youths — those between 15 and 24 years of age — has slowed considerably since 1974, and in 1981 the youth population actually declined in Canada. Growth of the youth labour force has exceeded population growth of youths throughout the period, reflecting increased participation rates, but slowed markedly from an average annual 4.6 per cent during the period 1970-1975, and 2.7 per cent during 1976-1980, to 1.9 per cent in 1980, and only 0.4 per cent in 1981.

The 2.0-per-cent increase in the adult male labour force in 1981 was more than accounted for by the 2.3-per-cent increase in the adult male population. Their participation rate declined, as it has since 1966, to 80.3 per cent in 1981.

The growth in the labour force of adult women continued to be a dominant factor in Canadian labour force growth, increasing 6.1 per cent in 1981. In contrast to adult men, where population growth accounted for all of the labour force growth, population growth accounted for only 39 per cent of the increase in the adult female labour force. The major determinant of the extraordinary growth of the labour force of adult women continued to be the increase in their participation rate, which rose from 46.2 per cent in 1980 to 47.9 per cent in 1981. Many factors account for this change, including slower family formation in Canada, changing attitudes towards work, increasing flexibility in child care arrangements and other institutional, economic and cultural factors encouraging women to enter the work force.

Another major feature of the Canadian labour force in the last few years has been the changing regional distribution of its growth, as seen in Table 5.3. One major determinant of these

Table 5.1
Labour Force Developments

	Average							
	1970-75	1976-80	1976	1977	1978	1979	1980	1981
				(percentage change)				
Employment growth								
Total	2.9	2.8	2.1	1.8	3.4	4.0	2.8	2.6
Adult males	1.6	1.6	1.3	1.0	1.7	2.6	1.5	1.9
Adult females	4.8	5.3	5.1	4.0	6.6	5.0	6.0	5.9
Youths (15-24 years)	3.7	2.4	0.7	1.0	3.1	5.6	1.6	0.3
Population growth								
Total	2.4	2.0	2.3	2.1	1.9	1.8	1.8	1.6
Adult males	2.2	2.1	2.3	2.1	1.9	1.9	2.2	2.3
Adult females	2.4	2.4	2.5	2.4	2.3	2.3	2.4	2.4
Youths	2.7	1.3	2.3	1.7	1.3	0.8	0.2	– 0.5
Labour force growth								
Total	3.3	2.9	2.3	2.9	3.7	3.0	2.3	2.7
Adult males	1.8	1.7	1.3	1.8	2.1	1.9	1.7	2.0
Adult females	5.3	5.3	5.3	4.8	7.0	4.2	5.5	6.1
Youths	4.6	2.7	1.5	3.0	3.2	3.7	1.9	0.4
				(per cent)				
Participation rates								
Total	59.3	62.5	61.1	61.5	62.6	63.3	64.0	64.7
Adult males	82.5	80.9	81.1	80.9	80.9	80.9	80.5	80.3
Adult females	37.0	43.6	41.1	42.1	44.0	44.8	46.2	47.9
Youths	59.4	64.7	62.4	63.2	64.4	66.2	67.3	67.9
Unemployment rates								
Total	6.0	7.7	7.1	8.1	8.4	7.5	7.5	7.6
Adult males	3.9	4.7	4.2	4.9	5.2	4.6	4.8	4.9
Adult females	5.4	7.0	6.6	7.4	7.7	7.0	6.5	6.7
Youths	10.5	13.6	12.7	14.5	14.6	13.1	13.3	13.4

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

changing shares has been the migration of labour to Alberta and British Columbia. This, together with relatively large increases in participation rates, has led to growth in the labour force in these two provinces which is far above the national average.

Labour Demand

Changes in output growth in Canadian goods- and services-producing industries influenced changes in employment growth throughout 1981. Employment expanded 2.6 per cent in 1981, led by strength in employment in the first half of the year. Over all, 278,000 jobs were created in 1981.

Employment had increased 2.8 per cent in 1980, a strong pace considering that real GNP remained stagnant. This strong surge in employment can be partly explained by the fact that the slowdown mainly affected the goods-producing

Table 5.2
Composition of the Canadian Labour Force
(Shares of total labour force)

	1955	1960	1965	1970	1975	1980	1981
				(per cent)			
Adult males	63.1	60.8	57.0	52.2	48.2	45.5	45.2
Adult females	14.1	17.3	19.6	22.4	24.7	27.7	28.7
Youths (15-24 years)	22.8	21.9	23.4	25.4	27.1	26.8	26.2

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

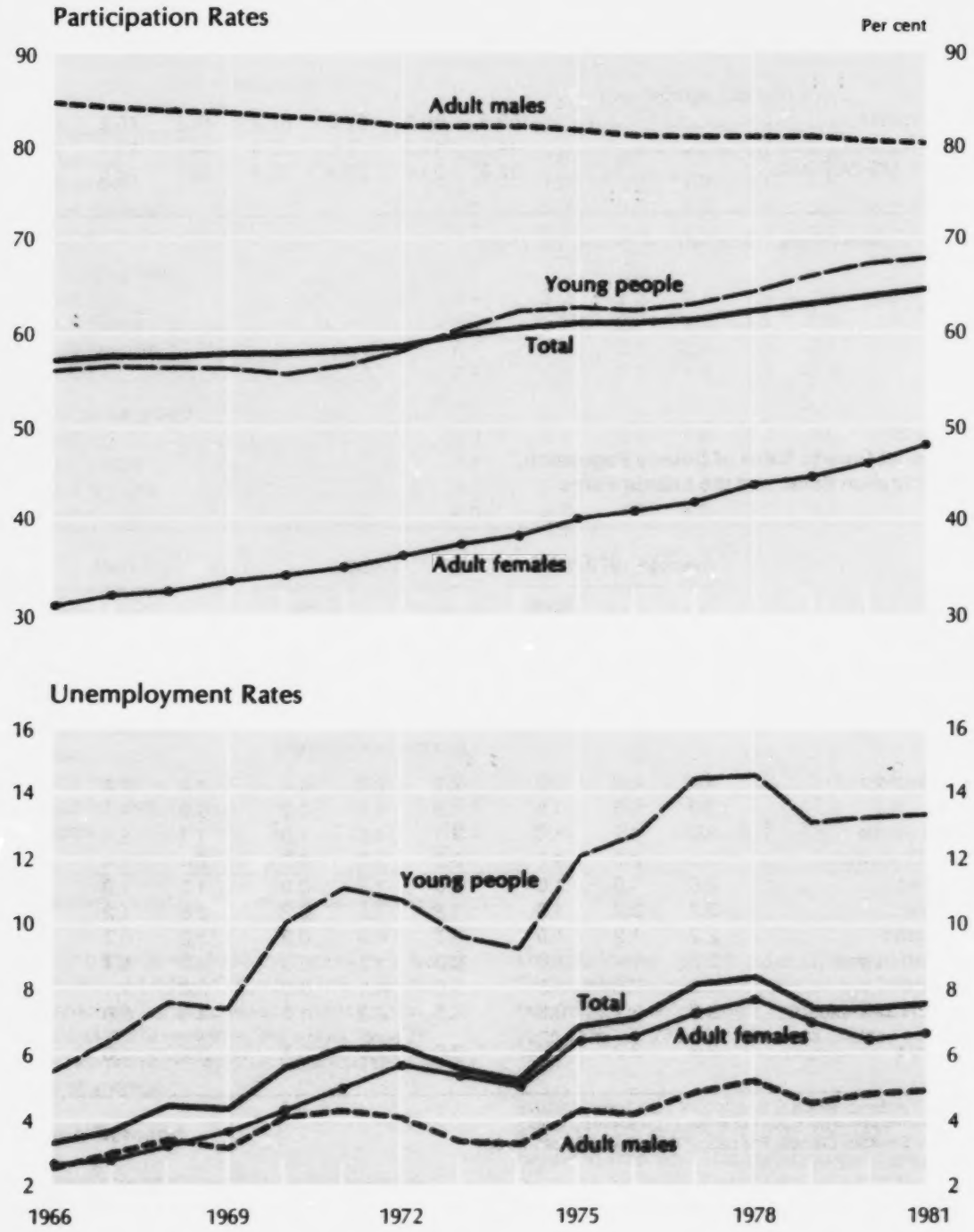
Table 5.3
Regional Growth Rates of Source Population, Participation Rates and the Labour Force

	Average 1970-1980			1980			1981		
	Labour force	Population	Participation rate[1]	Labour force	Population	Participation rate[1]	Labour force	Population	Participation rate[1]
				(percentage change)					
Newfoundland	4.4	2.3	2.0	2.9	2.3	0.4	2.3	2.2	0.0
P.E.I.	3.9	2.3	1.5	1.9	1.1	0.2	0.0	1.1	−0.4
Nova Scotia	3.0	1.9	1.0	3.1	1.6	1.0	1.1	1.1	−0.1
New Brunswick	3.5	2.3	1.2	3.2	2.0	0.7	2.4	1.4	0.7
Quebec	2.6	1.6	1.0	2.8	1.2	0.9	1.3	1.0	0.2
Ontario	3.2	2.2	1.0	1.8	1.5	0.2	2.6	1.2	0.9
Manitoba	2.2	1.2	1.0	1.7	0.3	0.9	1.2	0.7	0.4
Saskatchewan	2.5	1.1	1.3	2.3	1.7	0.3	2.3	1.4	0.6
Alberta	4.9	3.8	1.0	5.6	4.1	0.9	6.0	4.1	1.3
British Columbia	3.9	3.1	0.8	4.5	2.9	1.0	4.6	3.0	1.0
Canada	3.2	2.2	1.0	2.8	1.8	0.7	2.7	1.6	0.7

[1] Absolute percentage point changes in participation rates.
Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

Chart 5.1

Participation and Unemployment Rates



Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

sector, leaving the services sector relatively untouched. As can be seen in Chart 5.2, much of the employment growth in 1980 originated in the services sector, which is traditionally less sensitive to economic cycles. Output in this sector, as measured by real domestic product, grew strongly throughout 1980 despite the economic downturn. In contrast, output of goods declined in the first half of 1980, as did employment in these industries.

Employment growth in 1981 benefitted from the continued strength of the services sector in Canada throughout the year, and in the first part of the year from the strong recovery of output and employment in goods-producing industries which began in August 1980, as seen in Chart 5.2.

From January 1981 to the employment peak in August 1981, employment in Canada averaged 3.1 per cent above its level in 1980. During this period of recovery, job creation was about equally divided between goods- and services-producing industries, an above-average share for goods-producing industries in job creation compared to other recoveries in the last decade. Adult females obtained nearly 75 per cent of the new jobs, and youth employment declined during this period — an unusual development considering that in years of expansion during the past decade, youths have accounted for up to a third of the increase in employment. About 70 per cent of the jobs created during the period of January to August, 1981, were full-time jobs. Adult male employment growth was split nearly equally between full- and part-time jobs, while 75 per cent of the growth in adult female employment was accounted for by full-time jobs.

Output growth in the services-producing and goods-producing sectors peaked at the end of the second quarter. Despite the economic slowdown in the U.S., the impending downturn in Canada, and historically high interest rates, employment continued to grow strongly until August. It is possible that the postal strike in Canada in July and early August created uncertainty for some firms as to the actual extent of the decline in new orders and sales. This could have contributed to the surprising growth of employment into the late summer. However, one indicator of the decline in employment intentions can now be seen in the unprecedented weakness of youth employment throughout the summer, showing that firms were probably reluctant to create summer jobs before beginning layoffs.

Between July and December real domestic product fell 4.8 per cent in the goods-producing industries, and increased 1.1 per cent in the services-producing industries. Although output of services is less sensitive to the decline in domestic and foreign demand, the behaviour of this sector in 1981 contrasts with that of the economic downturns of 1980 and of 1974-1975. As can be seen in Chart 5.2, this sector shows relatively less strength as a source of employment growth in this downturn due to the combined effects of lower consumer expenditure on discretionary services, such as travel and other personal services, and a slowdown in housing and financial activity.

Services-producing industries accounted for 76 per cent of 1981 job creation, but even with the sharp downturn of the last half of the year and the loss of many goods-producing jobs, the share of new jobs going to goods-producing industries more than doubled from that of 1980.

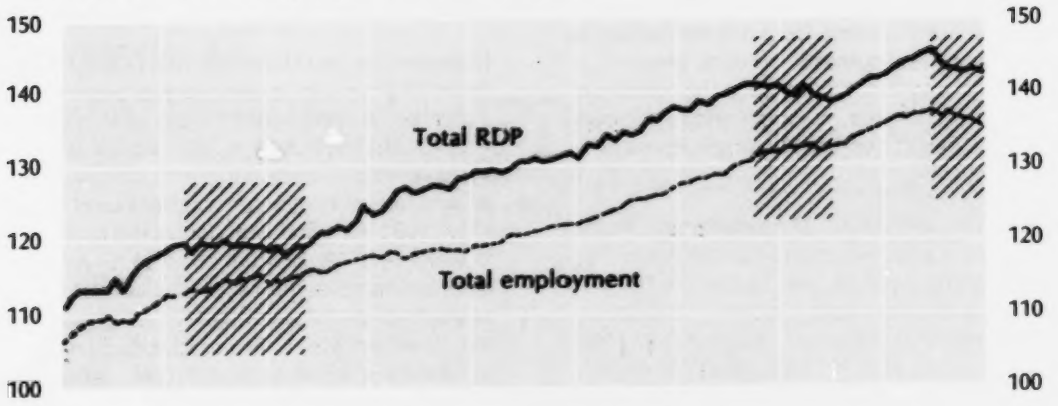
Although the demand for labour in 1981 underwent significant cyclical changes, and ended with considerable slack in many industrial labour markets, several industries in Canada experienced a demand for labour that exceeded the supply of suitable workers. Industries such as electronics, the aerospace industry, mining (in remote areas), scientific research, some forestry sectors, and energy-related projects indicated publicly in 1981 that their growth potential was, or would in the future be, constrained by a lack of suitable skilled workers.

Labour Market in the Second Half of 1981

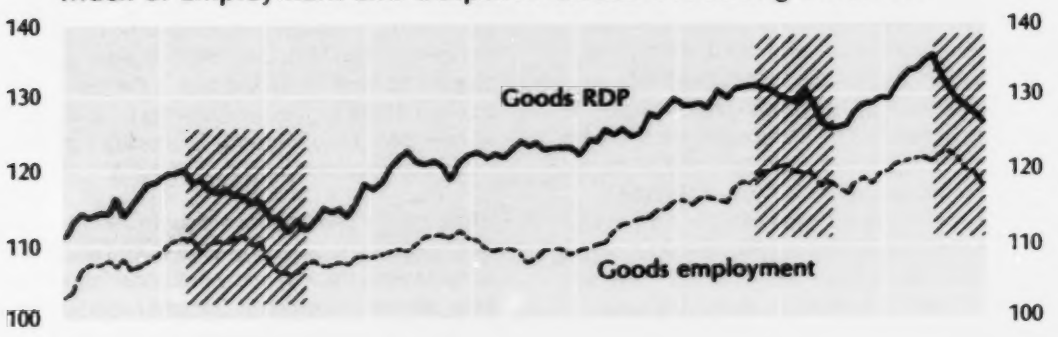
It appears that the employment impact of the downturn in demand and output in 1981 was more severe in both Canada and the U.S. than in the previous major recession of 1973-1975. Table 5.4 provides a comparison of some major labour market variables in Canada and the U.S. for the first six months following the peaks in industrial production in 1981, and in 1973-1975. In both countries, in 1981, the incidence of labour hoarding was very weak compared to the

Chart 5.2

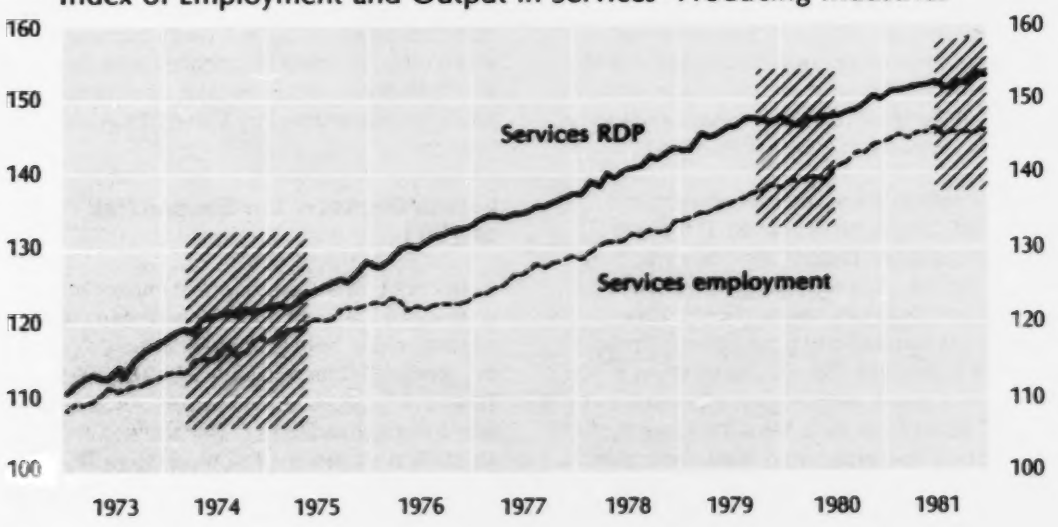
Index of Total Employment and Output



Index of Employment and Output in Goods-Producing Industries



Index of Employment and Output in Services-Producing Industries



Source: Statistic Canada, *The Labour Force*, monthly, cat. 71-001; *Index of Real Domestic Product by Industry*, monthly, cat. 61-005.

Table 5.4
A Comparison of Cumulative Changes in Labour Market Variables in the First Six Months Following Peak Industrial Output

Canada	March 1974—Sept. 1974	July 1981—Dec. 1981
Cumulative change in:		
Total employment	138,000	– 164,000
Labour force	167,000	– 4,000
Unemployment	29,000	160,000
	(percentage points)	
Unemployment rate	0.2	1.3
	(percentage change)	
Industrial production	– 3.0	– 5.9
United States	**Nov. 1973—May 1974**	**July 1981—Dec. 1981**
Cumulative change in:		
Total employment	400,000	– 1,800,000
Labour force	800,000	200,000
Unemployment	400,000	2,000,000
	(percentage points)	
Unemployment rate	0.3	1.9
	(percentage change)	
Industrial production	– 0.2	– 6.8

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001 and *Indexes of Real Domestic Product by Industry*, monthly, cat. 61-005; U.S. Department of Labour, *Employment and Earnings*; and Board of Governors of the Federal Reserve System, *Federal Reserve Bulletin*.

earlier stages of other recessions. Efforts to reduce inventories to levels consistent with demand began earlier in the recent downturn, and this has contributed to the substantial drop in output and employment.

In Canada, in 1981, employment grew for two months past the output peak, to August, and then adjusted rapidly to declining demand. There were 164,000 jobs lost between July and December. As the labour force declined 4,000 during this period, the number of unemployed increased by 160,000 and the unemployment rate rose from 7.3 per cent in July to 8.6 per cent in December. By comparison, in the first six months following the peak in industrial production in the 1974-1975 recession, 138,000 jobs were created (although mainly in the services sector), but labour force growth outpaced job creation to lead to a moderate increase in the unemployment rate from 5.2 to 5.4 per cent.

The accumulation of inventories during the current slowdown fell far short of that observed in 1974. Substantial reductions in output and employment did occur nine months into the recession in 1974, but only after this inventory accumulation had taken place. Several factors have likely contributed to this difference between the two periods. Higher interest rates in 1981 than in 1974 have increased the opportunity costs of high inventories, and better techniques

of inventory management have likely contributed to earlier inventory adjustment.

In the U.S., in 1981, 1.8 million jobs were lost between July and December. This decline in employment, accompanied by slight labour force growth, led to an increase in unemployment of 2 million persons, and an increase in the unemployment rate from 7.0 to 8.9 per cent during that period. As in Canada, the U.S. experience in 1981 contrasts sharply with the first six months of the 1973-1975 recession when total employment increased by 400,000 jobs and the labour force grew by 800,000 persons, causing the unemployment rate to increase by only 0.3 percentage points. In the U.S., output and employment adjustment in 1981 has also been more rapid than in 1973-1975. As was the case in Canada in that earlier period, the employment peak also occurred nine months into the recession and large adjustments in employment did not occur within one full year following the peak in industrial production.

Compared to the early stages of the 1974-1975 recession, the current cutback has not only been more substantial in both countries, but declines in employment relative to output have been more pronounced, indicating a decline in labour hoarding.

Work Stoppages in 1981

Data on work stoppages in 1981 are only available for the first 10 months. Between January and October 1981, there were 923 work stoppages in Canada involving 311,000 workers, for a total of 8,061,000 person-days not worked, as indicated in Table 5.5. The percentage of estimated working time lost during this period averaged 0.38 per cent, which is slightly less than the average 0.41 per cent time lost during the corresponding period in 1980, and slightly above the 0.36-per-cent average for the period 1976-1981.

During 1981, strike activity in Canada, measured in terms of person-days lost, increased slightly in March and peaked in July and August. These periods were dominated by strikes involving large work forces. In February and March, British Columbia suffered from prolonged strike activity in its public sector. In July and August, lengthy

Table 5.5
Time Perspective on Work Stoppages

	1976	1977	1978	1979	1980	January to October 1980	January to October 1981
Number of stoppages beginning during year	921	938	1,004	987	952	921	923
Workers involved (000)	1,571	218	402	463	441	417	311
Person-days not worked (000)	11,610	3,308	7,393	7,834	8,975	8,176	8,061
Estimated working time lost (per cent)	0.55	0.15	0.34	0.34	0.38	0.41	0.38
Persons in work[1] stoppages/persons negotiating	0.09	0.03	0.06	0.16	0.22	0.20	0.19
Number of work[1] stoppages/number of negotiations	0.14	0.06	0.07	0.12	0.12	0.13	0.17

[1] Data are available only for major establishments (50 or more workers) excluding the construction industry, and are calculated for the first three quarters of 1980 and 1981, rather than from January to October.

Source: Labour Canada, *Work Stoppages*, monthly, ISSN-0228-1678 and *Collective Bargaining Review*, monthly, ISSN-0010-0803.

strikes occurred in the Canada Post Office and the iron and steel, coal and forestry industries. The strike in the iron and steel industry lasted throughout September and into October.

Given the size of these industries and the primary nature of their outputs, the effects on the economy from these strikes were potentially large, especially through interdependence with other industries. However, some of these effects were reduced because of pre-strike inventory build-up and depressed markets. There were few reports of shortages from the forest industry strikes, as sufficient paper and lumber inventories existed in North America and Europe, and due to weakening in the housing sector. Many of the shortages which were expected to arise from the work stoppages in the iron and steel industry failed to materialize due to declining demands of the auto and appliance industries.

Peaks in strike activity usually occur concurrently with peaks in bargaining activity. Therefore, year-to-year comparisons of person-days lost are not very revealing as an indicator of the tendency to strike. Table 5.5 also provides a measure of the incidence of strikes among bargaining workers for a subset of Canadian firms (where data are available). This measure can be interpreted as an indicator of strike activity among bargaining workers, a better measure of strike activity than strike data relative to all workers in the economy. According to this measure, the strike performance in the first three quarters of 1981 at 0.20 per cent was similar to that in 1980 over the same period. However, the number of negotiations which resulted in strikes, another measure of strike activity, increased in 1981 to 0.17 per cent from 0.13 per cent in 1980. A combination of these last two measures of strike activity indicates a higher number of work stoppages involving smaller work forces.

6. Sectoral and Regional Developments

The economic recovery in the first half of 1981 was generally shared by all major sectors except forestry and mining where export demand continued to decrease, and in all regions except British Columbia where lumber exports declined further. Ontario particularly benefitted as manufacturing output rose in the first half of the year and experienced a higher growth rate than the national average. Growth in real output is estimated to have been the strongest in the Prairie region, reflecting both the continuation of the energy boom and sharply increased grain crops in Manitoba and Saskatchewan. Real growth was moderate in Quebec, partly because of the decreased output in mining and forestry, and in the Atlantic region. The downturn in economic activity in the second half of the year generally affected all regions and all sectors, and labour disputes in some industries also curtailed output.

Sectoral Developments

Agriculture

Farm cash receipts, especially for principal crops, increased strongly in 1981. According to current estimates, farm production increased more rapidly than in 1980. Grain production increased substantially in 1981 as there were record crops of wheat, barley and rye because of considerable increases in acreages sown and good yields per acre; however, oilseed production declined. Fruit crops were generally lower than in 1980, while vegetable crops increased slightly. Canadian hog production declined slightly and exports of live hogs decreased. Slaughtering of Canadian cattle grew moderately in 1981. Average farm employment for 1981 increased slightly, particularly during the second half of the year.

Fishing

Since the introduction of the 200-mile limit in January 1977, output in the fishing sector has generally increased strongly, especially on the East coast, in response to increased quotas to Canadian fishermen and the recovery of fish stocks due in part to fisheries management efforts. In 1980, however, fish catches were down mainly because of labour disputes in Newfoundland and a sharp decline in salmon landings in British Columbia as stocks were down. According to preliminary data for 1981, both the volume and value of landings increased strongly on both the East and West coast. On the Atlantic coast, despite financial difficulties experienced by some fish processing firms which resulted in layoffs during the year, landings, particularly of groundfish and the relatively higher-priced scallops, lobsters and queen crab, contributed to the higher output in the fishing sector, while on the Pacific coast there were sharply increased catches of pink and sockeye salmon.

Forestry

Output in the forestry sector in 1981 declined further and at a faster rate than in the previous year. This cyclical decrease, likewise evident in the closely related wood and pulp and paper products manufacturing industries, brought the level of output in forestry to only slightly above that in 1976. Export demand for lumber and lumber prices fell further as the number of housing starts in the United States continued to decline sharply, largely as a consequence of high mortgage interest rates. Moreover, there were labour disputes during the summer in British Columbia. Pulpwood production, on the other hand, expanded during the year as newsprint production increased, while output of other papers and paperboards declined. Although the export of newsprint to the United States declined, exports to the United Kingdom, Latin America and Asia increased strongly.

Mines

Canadian mineral production declined substantially in 1981, mainly due to depressed domestic and international markets. In general, prices of industrial raw materials fell considerably.

Among metals, nickel and iron ore production fell substantially and copper output declined moderately. Canadian lead production increased moderately, recovering from the effects of a labour

Chart 6.1

Gross Domestic Product in Constant (1971) Prices
(Year-over-year per cent change)

Source: Statistics Canada, *Gross Domestic Product by Industry*, monthly, cat. 61-005.

dispute in 1980. The world zinc supply declined moderately in 1981 due to strikes in the U.S. and Ireland, and the resulting price increase caused a marked increase in Canadian production which had been affected by a labour dispute in 1980.

The decline in the production of fossil fuels was the largest in the mining sector. Crude oil production fell substantially, partly as a result of the reduction in Alberta production from March to September 1981. Canadian natural gas output declined moderately as a result of a fall in exports. Despite a three-month labour dispute in Nova Scotia coal mines, Canadian coal production rose significantly in 1981 owing to increased Japanese demand, combined with an expansion of productive capacity in British Columbia and Alberta.

Output of non-metallic minerals other than coal declined moderately in 1981. Canadian potash production decreased moderately as a result of a fall-off in both Canadian and world demand and also the high level of Canadian potash inventories. Asbestos output fell sharply, owing to a decline in activity in the American construction and housing industries.

Manufacturing

For the year 1981 as a whole, manufacturing production partly recovered from the decline in the preceding year. However, the increase occurred in the first half of the year, while in the second half output fell in response to the decrease in demand, and there were also work stoppages due to labour disputes, particularly in the wood, paper and steel industries. Average employment in the sector increased slightly in 1981 but by the end of the year employment was down, particularly in Quebec and the Atlantic region, from the level a year earlier.

Table 6.1
Main Economic Indicators by Sector

Gross Domestic Product (in Constant 1971 Prices)

	Share of total in 1981	1980	1981
	(per cent)	(percentage change)	
Agriculture	2.6	5.4	8.5
Non-agricultural primary industries	3.5	0.9	– 4.9
Manufacturing	21.7	– 3.1	1.7
Construction	5.9	– 2.0	6.5
Total goods-producing sector	33.7	– 1.9	2.3
Transportation, storage, communication and utilities	14.1	2.4	3.1
Trade	12.4	– 0.1	0.7
Finance, insurance and real estate	13.1	3.1	2.9
Community, business and personal services	19.9	1.2	3.6
Public administration	6.8	1.1	1.8
Total services sector	66.3	1.6	2.6
Total all industries	100.0	0.3	2.5

Employment

	Share of total in 1981	1980	1981
	(per cent	(percentage change)	
Agriculture	4.4	– 1.3	1.5
Non-agricultural primary industries	2.9	8.6	6.0
Manufacturing	19.4	1.7	0.7
Construction	5.9	– 3.3	4.2
Total goods-producing sector	32.6	0.9	1.9
Transportation, storage, communication and utilities	8.3	0.1	0.3
Trade	17.1	1.4	2.4
Finance, insurance and real estate	5.4	10.0	– 2.6
Community, business and personal services	29.6	4.5	5.2
Public administration	7.0	5.8	2.9
Total services sector	67.4	3.7	3.0
Total all industries	100.0	2.8	2.6

Source: Statistics Canada, *Gross Domestic Product by Industry*, monthly, cat. 61-005 and *The Labour Force*, monthly, cat. 71-001.

The increase in manufacturing output for the year was mainly in the durable goods industries. Notable increases occurred in the output of the electrical products, furniture and fixtures, and machinery industries. This reflected higher domestic demand, as capital expenditures on machinery and equipment rose and construction activity recovered from the 1980 decline. It also reflected increased exports as a result of a turnaround in business investment in equipment in the United States after the sizeable reduction in the preceding year. Moreover, domestic demand for some of these products also benefitted earlier in the year from the temporary suspension of the retail sales tax in Ontario. In turn, these developments had a beneficial effect on the related primary metals and metal fabricating industries, although the output of the primary metals industry was adversely affected by a long strike in the steel industry as well as a slowdown in demand later in the year. The production of motor vehicles and parts increased in 1981, after having experienced substantial reduction in 1979 and 1980, but this was entirely due to an increase of 16 per cent in the volume of parts and accessories as production of motor vehicles declined. The demand for North American-made passenger cars fell considerably in Canada, while sales of Japanese cars increased by one-half in spite of an agreement with Japan to limit its car exports to Canada. This increased the market share of Japanese cars from almost 15 per cent in 1980 to about 23 per cent in 1981. Exports of passenger cars declined, although export of automotive parts increased. The wood products industry was the only major one among the durable goods industries to have a lower output as a result of a decline in foreign demand and a labour dispute in the summer.

Among the non-durable goods industries, the largest increases occurred in the output of the leather (mainly shoes), textile (following a sharp reduction in 1980) and the food and beverage industries. Production also increased in the tobacco, rubber and plastic and chemical industries. However, output of knitting mills and the clothing industry declined, reflecting weak consumer demand, and the paper and allied products industry was adversely affected by a labour dispute in the summer. The petroleum and coal products industry experienced one of the largest reductions in output among the manufacturing industries. The prices of petroleum products increased sharply in 1981 and domestic sales, particularly of fuel oil, fell, and as a result there was a large increase in the inventory of finished products.

Construction

Construction activity increased sharply in 1981, as did employment, after the decline in the preceding year. Construction output rose in the first half of 1981 largely due to resumed growth in the residential sector which had experienced a decline in output from 1977 to 1980. Housing starts posted impressive increases in the first and second quarters, largely reflecting mortgage loan approvals made earlier when interest rates were relatively lower. As conventional mortgage interest rates rose to record levels in August and September, the inventory of newly completed and unoccupied units increased in the third and fourth quarters and housing construction fell sharply in the second half of the year. For 1981 as a whole, residential construction recorded its first increase since reaching the peak in 1976, and the growth was largely concentrated in row housing and apartment construction reflecting very low vacancy rates in rental units. In the non-residential segment, engineering construction recorded the highest increase, mainly reflecting pipeline construction. Non-residential building activity was higher, largely the result of commercial construction, whereas highway construction declined again as government restraint programs continued.

Utilities

The output of the utility sector, which is comprised of the electric power industry, gas distribution, and water and other miscellaneous utilities, increased moderately in 1981. This increase was largely concentrated in electric power as gas distribution increased only slightly. Electric power output grew in response to higher levels of production in some manufacturing and mining industries and the continuing substitution of electricity for higher-priced oil; however, relatively mild weather during the first and last three months of the year helped dampen the rate of increase. Deliveries of electric power to the United States

increased, according to preliminary data, reflecting a sharp increase in deliveries from British Columbia related in part to high water conditions early in the year. The rate of increase of gas distribution was below average, in part because of the mild weather during the year; sales of natural gas increased strongly only in Quebec, reflecting the increased market penetration of natural gas in that province.

Transportation, Storage and Communication

Services in this sector in 1981 increased moderately, following relatively slow growth during 1980, and employment rose only slightly. Growth stemmed mainly from higher output in communications, despite the labour dispute by post office workers during the summer. Transportation activity, which recovered slowly during the first half of the year, declined during the second half as railway and water transport decreased as a result of reduced output mainly of metals and minerals, motor vehicles and accessories, wood and paper products. Truck and bus transportation also decreased, reflecting the slower growth in manufacturing output and labour disputes in the Western provinces, as well as in Quebec and Ontario inter-city bus systems. Air transportation and urban transit systems increased at moderate rates, and pipeline transportation recovered as oil production in Alberta was increased.

Trade

Trade activity in 1981 increased relatively slowly, reflecting moderate growth in retail sales and a small decline in wholesale trade, while employment rose somewhat more strongly. The growth in activity took place during the first part of the year when both retail and wholesale trade recovered from the decline during the preceding year, while declines occurred in the final two quarters.

Finance, Insurance and Real Estate Services

The output of this sector increased in 1981 at a slightly slower pace than in 1980, while average employment for the year declined sharply. Strong growth occurred in the output of deposit-taking institutions as the Canadian dollar assets of chartered banks increased faster than in 1980. However, there was slow growth in the volume of rents, as the number of new housing units completed in 1981 was down from the level of 1980, and a substantial decline in stock market activity as the volume of shares traded fell by one-quarter on the Toronto exchange.

Community, Business and Personal Services

Following weak growth in the preceding year, the output of this sector grew moderately in 1981, reflecting primarily strong increases in health and welfare services and services to business management. Demand for amusement, recreation, accommodation and food increased moderately, in line with the increase in real personal disposable income, while personal services continued to increase slightly, continuing the trend of the late 1970s. Average employment for the year rose sharply, and accounted for more than half of the increase in total employment in the economy.

Public Administration and Defence

On the whole, this sector grew moderately in 1981 compared with 1980. Federal and provincial government services increased, while those of local governments decreased. The growth in employment in 1981 was relatively strong although the level of employment at the end of the year was lower than a year earlier.

Regional Developments

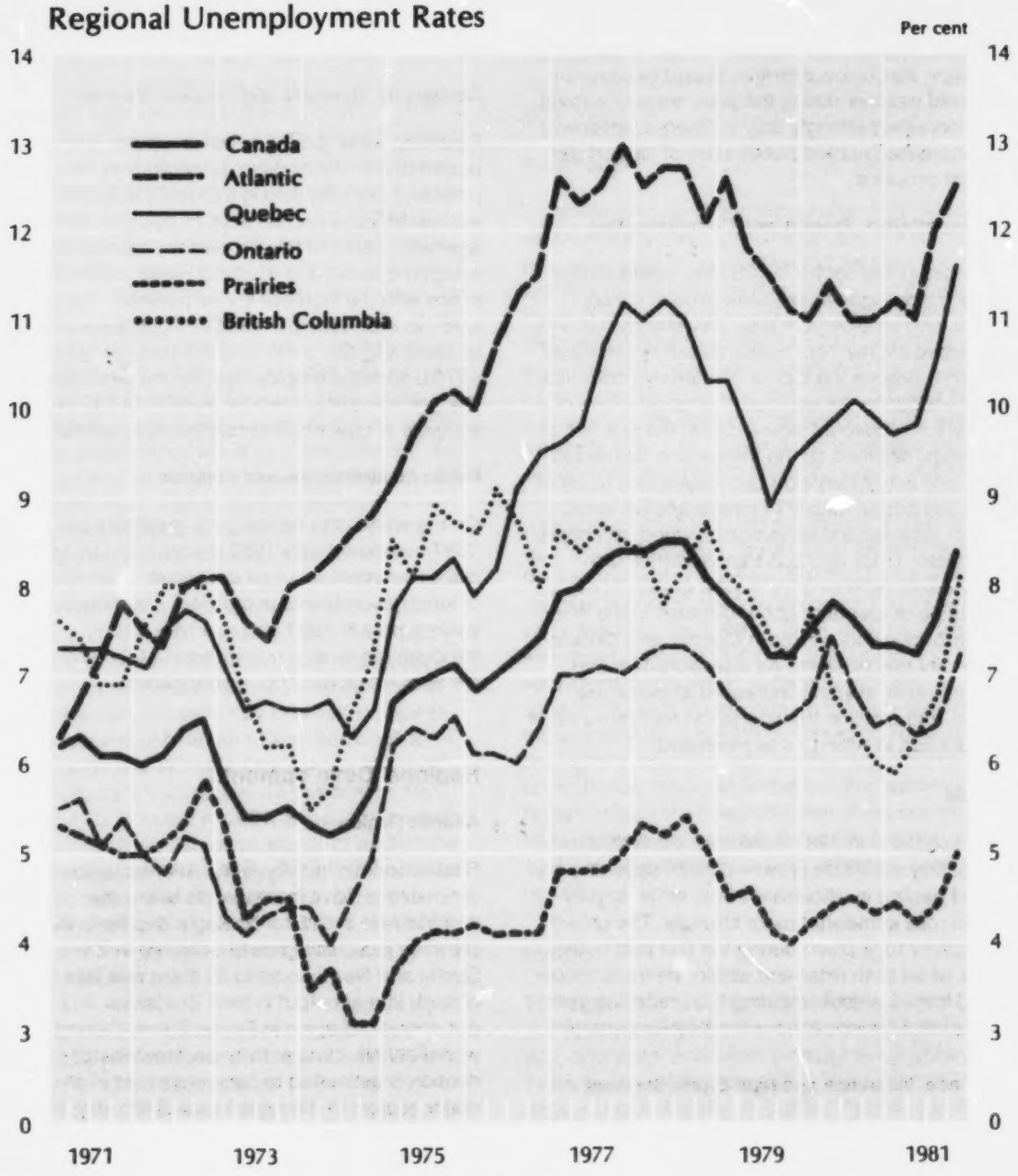
Atlantic Region

Real economic activity in the Atlantic region is estimated to have increased at below the national rate in 1981 following a decline in the previous year. This growth occurred in Nova Scotia and Newfoundland as there was little change in real output in New Brunswick and output decreased again in Prince Edward Island where construction activity declined sharply. Production is estimated to have increased in all major sectors in the region except forestry, utilities, manufacturing and trade. The average annual unemployment rate rose in 1981 as employment decreased more than the labour force in the second half of the year.

Within the primary sector, preliminary data indicate that both the volume and value of fish landings increased strongly, particularly in Nova

Chart 6.2

Regional Unemployment Rates



Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

Scotia and New Brunswick, largely reflecting higher groundfish, scallop and lobster catches. Mining output increased strongly in the region reflecting a particularly sharp increase in New Brunswick following a long labour dispute in metal mining in 1980; in Nova Scotia, however, output is estimated to have fallen partly as a result of a labour dispute in coal mining which interrupted production for almost three months. Agriculture output rose moderately, and there was particularly strong growth in Prince Edward Island where potato production rose with increased plantings and the highest yield per acre in Canada. Farm cash receipts in the region grew faster than in the rest of Canada. Forestry production fell as a result of reduced exports of lumber and pulp and paper products.

In the secondary sector, the level of manufacturing activity is estimated to have decreased slightly as growth in Newfoundland and Nova Scotia was more than offset by a decline in New Brunswick. In Nova Scotia, however, particularly large increases occurred in shipments of transportation equipment (due in part to increased exports of railroad rolling stock to Cameroon) and metal fabricating (related to higher construction levels in the province), and in Newfoundland shipments of the food and beverage, metal fabricating and wood industries were up substantially. Construction activity in the region is estimated to have increased solely because of the increase in Nova Scotia where non-residential construction rose particularly strongly. The net generation of electricity in 1981, according to preliminary data, declined in the region mainly because of decreased deliveries particularly from Newfoundland to Quebec, and there was also a very sharp decline in Prince Edward Island as the province has obtained more of its electric energy requirements from New Brunswick since the laying of the submarine cable.

Services in total in the region are estimated to have increased at less than the national pace. All major sectors expanded, except trade which continued to decline in all four provinces as the growth in retail sales lagged behind the rate of inflation. Declining employment in community, business and personal services in Newfoundland and Prince Edward Island, lower employment in the finance, insurance and real estate sector in New Brunswick, Nova Scotia and Prince Edward Island, and reductions in public administration and defence in New Brunswick, also contributed to the lower average rate of growth in 1981.

Labour income in the region again increased at a rate below the national average, with the smallest growth among all provinces occurring in Prince Edward Island and one of the highest in Newfoundland. Employment, which increased at a pace above the national average in 1980, expanded at a much slower rate in 1981. Labour force growth also slowed, but not as much, so that the average annual unemployment rate rose in 1981 in all four provinces.

Quebec

Economic activity in Quebec grew slowly in 1981 as a whole, despite the slowdown recorded in the second half of the year. Production of goods, after a decline in 1980, showed little change, given the weakness of domestic and export market demand, and services increased slowly, restrained by a second consecutive decline in trade.

In the primary sector, farm cash receipts in 1981 rose despite a slowdown in hog production and a decline in fruit production, particularly apples. Dairy output increased slightly. Forest production fell somewhat, reflecting a decline in timber offset in part by a strong increase in pulpwood production. Mining production registered a net decline, due mainly to a fall in copper exports and heavy stockpiles of iron ore.

In the manufacturing sector, production remained almost unchanged. Activity increased substantially in the transport equipment industry due to a sustained growth in aircraft manufacturing, and also in the electrical products, forest products, food and beverage and leather industries. However, this growth was offset by major declines in the manufacture of metal, chemical and non-metallic mineral products and clothing. Construction increased only slightly, due mainly to weak growth in public investment and housing starts as mortgage interest rates were at a high level. In the public utilities sector, the net generation of electrical power increased due in part to higher exports, and the volume of natural gas sales increased substantially.

Table 6.2
Main Economic Indicators by Region

Labour Market

	Employment		Labour force		Unemployment rate	
	1980	1981	1980	1981	1980	1981
	(percentage change)				(per cent)	
Atlantic region	3.8	1.2	3.1	1.7	11.2	11.7
Quebec	2.5	0.7	2.8	1.3	9.9	10.4
Ontario	1.4	2.9	1.8	2.6	6.9	6.6
Prairie region	3.9	3.9	3.8	4.1	4.3	4.5
British Columbia	5.5	4.7	4.5	4.7	6.8	6.7
Canada	2.8	2.6	2.8	2.7	7.5	7.6

New Capital Expenditures (Current dollars)

	Total			Residential			Other		
	1970-79[1]	1980	1981	1970-79[1]	1980	1981[1]	1970-79[1]	1980	1981
	(percentage change)								
Atlantic region	11.1	– 0.1	13.6	14.4	– 9.0	– 2.6	10.5	1.9	16.8
Quebec	14.8	8.1	9.6	14.6	– 12.0	15.8	14.9	13.0	8.4
Ontario	10.6	11.8	19.3	11.9	– 11.5	20.2	10.2	17.9	19.1
Prairie region	19.5	14.6	20.6	24.5	– 12.5	7.9	18.5	21.3	22.9
British Columbia[2]	14.6	29.1	26.8	14.6	35.5	43.7	14.6	27.6	22.3
Canada	14.1	13.4	18.6	15.7	– 5.2	19.3	13.7	18.1	18.5

Other Indicators

	Farm cash receipts		Wages and salaries		Retail sales	
	1980	1981	1980	1981	1980	1981
	(percentage change)					
Atlantic region	16.0	19.9	7.9	11.4	5.3	9.3
Quebec	14.0	17.2	11.2	11.6	6.5	8.9
Ontario	7.2	15.0	9.6	13.4	7.8	14.0
Prairie region	9.1	21.0	14.8	17.2	12.9	14.5
British Columbia	14.4	17.5	14.2	12.5	15.0	14.1
Canada	9.7	18.6	11.3	13.4	9.1	12.5

[1] Average annual compound increase.
[2] Includes Yukon and Northwest Territories.
Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001; Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, annual, cat. 61-206; Statistics Canada, *Farm Cash Receipts*, monthly, cat. 21-001, *Estimates of Labour Income*, monthly, cat. 72-005, and *Retail Trade*, monthly, cat. 63-005.

In the services sector, trade activity declined, particularly in the fourth quarter, when retail sales weakened. However, in most other sectors, services likely increased more rapidly than in 1980.

In 1981, labour income grew at a rate slightly lower than that of the country as a whole. At the same time employment increased only slightly from 1980, reflecting increasingly weaker growth over the year and a sharp decline in the fourth quarter, particularly in the manufacturing and trade sectors. The labour force grew faster than employment in 1981, despite a decrease also recorded in the fourth quarter. The average unemployment rate increased very rapidly in the second half of the year, and the overall rate for the year was high.

Ontario

Following a decline in 1980, real domestic product in Ontario is estimated to have increased relatively strongly in 1981, despite decreases in mining and forestry output. Manufacturing production recovered moderately from the economic downturn in the previous year and there was strong growth in services. Most of the growth, however, took place in the first half of the year. On average, employment for the year increased strongly and the average annual unemployment rate declined, although the rate rose in the latter part of the year.

Strong increases in the Ontario economy are estimated to have occurred in the manufacturing, construction and transportation sectors. The growth in manufacturing output, however, did not restore output to the 1979 level. The increases were most evident in the tobacco, electrical products, primary metals, wood products, furniture and fixtures, and the leather industries. Growth was generally stronger in the first half of the year, and particularly in primary metals where output declined after July because of major work stoppages. By year-end there were also large layoffs by the major auto producers and in the agriculture implement industry. Stimulated by the growth in manufacturing output, transportation increased after having grown slowly in 1980. Construction activity increased strongly in 1981 after having declined sharply in 1980. Housing starts rose in 1981 from the low levels reached in the previous year, and non-residential construction also increased.

In the primary sector, nickel and copper mining output declined in 1981, due to reduced export demand, after having experienced sharp increases in 1980 when production recovered from work stoppages in the previous year. Forestry output also declined as lumber exports decreased, reflecting the further reduction in housing starts in the United States; layoffs and even shutdowns occurred at a number of sawmills late in the year. Pulpwood production, however, increased moderately. Agriculture output rose at a slower pace than in 1980 as crops in general were lower due to wet fields, and fruit production similarly decreased because of unfavourable weather.

Services in aggregate increased relatively strongly, with the most notable increases being in transportation, community, business and personal services, and in finance, insurance and real estate. Trade activity rose slowly after the decline in the previous year.

Labour income in the province increased at the national rate. Both employment and the labour force increased substantially during 1981, with employment growing faster than the labour force. Most of the growth in both employment and the labour force, however, took place in the first half of the year. The average annual unemployment rate declined, even though the seasonally adjusted rate increased in the latter part of the year.

The Prairie Region

Real output in the region in 1981 is estimated to have grown faster than in 1980 and at a pace well above the national average. Strongest growth occurred in Saskatchewan and Alberta and all major sectors, except mining, had increased output.

In the primary sector, farm cash receipts increased by one-fifth, reflecting especially strong increases in Alberta and Saskatchewan. Seeded acreages for all major field crops, except flaxseed and rapeseed, were higher in 1981 which, together with above-average growing conditions, resulted in record or near-record grain produc-

tion. The largest increases are estimated to have been in Manitoba and Saskatchewan, the provinces which were hard hit by drought conditions in 1980. Mining output was adversely affected by cutbacks in oil production in Alberta, as well as by weak demand for nickel and copper and a major labour dispute in Manitoba; potash production declined but continued to be at a high level.

In the secondary sector, the value of manufacturing shipments in the region rose at a rate above the national average, with Alberta and Saskatchewan having the highest growth rates in the country and Manitoba showing a growth at about the national average. Housing starts increased considerably in Manitoba and sharply in Alberta but decreased in Saskatchewan. However, the decline in housing construction in Saskatchewan was more than offset by a very strong increase in non-residential construction, particularly in the utilities and primary industries. Non-residential construction also rose very strongly in Alberta as nearly all major sectors, especially manufacturing and trade and services, increased their expenditures very substantially.

In the services sector, all industries had higher output. The strongest increase in all three provinces was in the transportation sector and reflected substantial gains in agricultural and manufacturing production. Retail trade was up strongly in Alberta and increased at close to the national average in Manitoba and Saskatchewan.

Labour income in the region grew at the fastest rate in the country, with growth in Alberta being well above the national average. Both employment and the labour force grew at above the national pace, with Alberta having the highest rates of increase among all provinces. The average annual rate of unemployment increased slightly as all provinces experienced increases in the seasonally adjusted rate in the latter part of the year.

British Columbia

Economic activity in British Columbia in 1981 is estimated to have increased at a relatively slow rate. The economy was adversely affected by a further reduction in lumber exports to the United States as well as prolonged labour disputes in the forestry-related industries during the summer. Employment grew strongly, particularly in the first half of the year, but at a slower rate than in 1980, and the average annual rate of unemployment declined marginally.

The relatively weak growth in the British Columbia economy resulted from declines in the forestry-related industries. Forestry output, which had increased strongly during the first few months of the year in anticipation of summer work stoppages, declined sharply thereafter and posted a decrease for the year as a whole. Lumber exports to the United States fell noticeably during the year as the number of housing starts continued to drop in that country. Plywood production similarly declined sharply. Pulpwood production, however, increased slightly in part because newsprint production increased. Since the manufacturing of wood products in British Columbia represents more than half of the manufacturing value-added in that province, total manufacturing output declined; there were also decreases in the output of the primary metals, machinery, chemical and non-metallic mineral products industries. Agriculture output also decreased, despite sharp increases in slaughtering, as fruit production and crops were reduced by unfavourable weather early in the year. As a consequence of these reductions in goods production, transportation activity declined.

In fishing, increased catches of salmon and herring were responsible for the growth in output in that sector. Coal mining continued to grow strongly, stimulated by export demand from Japan, but copper and molybdenum output declined as inventories were high. On the whole, mining recovered slightly from the decline in 1980. Construction continued to grow strongly, although at a slower rate than in the previous year, as private investment slowed; however, housing starts increased sharply. Exceptionally high water levels resulted in increased electric power generation and most of the additional power was exported to the United States.

In the services sector, trade continued to increase at a rate above the national average, reflecting the relatively strong growth in retail

sales, while public administration services increased only slightly as there were work stoppages at the local administration level early in the year.

Total employment increased at one of the fastest rates in the country, although the rate of increase was relatively weak after the first quarter. The labour force, in comparison, grew more strongly towards the end of the year, but the overall growth for the year matched that of employment. Consequently, the annual average unemployment rate was little changed, although the rate rose as the year progressed.

7. Balance of Payments

Canada's current account deficit, which had been in the $4 to $5 billion range in the second half of the 1970s, and had fallen to a low of $1.9 billion in 1980, rose to $6.6 billion in 1981. The widening of the deficit in 1981 was mainly the result of a sharp increase in interest payments and a sharp decline in the terms of trade (the ratio of export to import prices) facing Canada. The long-term capital account showed a $1.3 billion surplus, virtually unchanged from 1980. There was a large increase in the deficit on direct investment as a result of takeovers of foreign-owned businesses, both in Canada and abroad, by Canadian residents. More than offsetting this direct investment outflow was a record volume of net new issues of Canadian securities sold abroad. The deficit on basic balance — the sum of current and long-term capital accounts — was more than offset by recorded short-term capital inflows, facilitated by a widening of interest rate differentials in Canada's favour. Through most of the year the Canadian dollar traded in a narrow range against the U.S. dollar. In July and early August, however, it came under sharp downward pressure which was strongly related to the take-over activity. On average in 1981, the Canadian dollar depreciated 2.5 per cent against the U.S. dollar, but appreciated over 11 per cent against the other Group of Ten (G-10) countries.

Current Account

Contributing to the large deterioration of the current deficit in 1981 were the $3.8 billion increase in the services deficit and the $1.2 billion decline in the merchandise trade surplus.

Among components of the services account, the largest change was recorded under the "other service transactions" category. This includes miscellaneous income flows which are mainly interest on short-term investments. Increases in Canada's net international indebtedness, along with increases in interest rates, were mainly responsible for the increased deficit on the miscellaneous income account. For the same reasons, the "interest and dividends" category of the services account also showed a large increase in 1981. Over all, net interest payments increased in excess of $2 billion in 1981.

A significant deterioration in Canada's terms of trade more than offset an increase in the merchandise trade surplus in constant (1971) dollars to produce a decline in the nominal dollar trade surplus in 1981. The strength in the trade balance in volume terms occurred in spite of the fact that real growth in Canada in 1981 was much stronger than in many of its major trading partners and there was further upward pressure on the volume of imports resulting from Alberta's oil production cutbacks and a deterioration in Canada's international competitiveness in 1981.

Merchandise Trade

The $1.2 billion decline in Canada's merchandise trade surplus over the whole year occurred mainly because of a significant worsening of Canada's terms of trade. The average price of export goods increased 7.1 per cent in 1981 in contrast to the 10.8-per-cent increase in the average price of import goods. In volume terms, the surplus on merchandise trade improved somewhat (Table 7.1).

There were, however, large quarterly changes in the balance of trade both in value and volume terms over the course of the year. These differences arose mainly because of divergent cyclical developments in Canada, the U.S. and Canada's other trading partners. Certain special factors also contributed to this development, such as the impact of Alberta's production cutbacks on the volume and value of oil imports.

Cyclical factors have always played an important role in influencing Canada's trade balance. During the 1974-75 recession, the strength of the Canadian economy relative to the U.S. was largely responsible for the faster growth in imports than exports, which in 1975 resulted in the first recorded merchandise trade deficit in 15 years. Similarly, the more rapid recovery of the U.S. economy in 1976 and 1977, in addition to the depreciation of the Canadian dollar, was cru-

cial to the strengthening of the trade balance from mid-1976. In 1979 and 1980, Canada's trade surplus with the U.S. was substantially reduced as the U.S. economy slid into recession and its demand for imports fell off sharply. However, Canada's surplus with other countries increased and the overall balance of trade continued to improve in both 1979 and 1980 (Table 7.2).

The Canadian economy grew strongly in the first half of 1981. The U.S. economy, which had registered strong growth in the first quarter of 1981, began to weaken in the second quarter. Other OECD countries generally recorded weak economic growth or declines in economic activity in the first half of 1981. In addition, the strength of business investment in machinery and equipment in Canada, which is import-intensive, and increases in oil imports because of Alberta's production cutbacks which lasted until the end of August, put upward pressure on the volume of imports. As a result, the trade surplus in volume terms declined in the first three quarters of 1981 relative to the last two quarters of 1980. This, along with rapidly rising import prices and relatively depressed export prices, reduced Canada's trade surplus in the first three quarters of 1981 to an annual rate of $5.2 billion, down significantly from the 1980 value of $7.8 billion. However, as the cyclical positions of the Canadian and the OECD economies, other than the U.S., reversed in the fourth quarter of 1981, there was also a sharp turn-around in the trade balance. The trade balance was also aided in the fourth quarter by the termination of Alberta's oil production cutbacks. The volume of exports of goods increased modestly in the fourth quarter but the volume of imported goods declined at a substantial 22.1-per-cent annual rate. The trade surplus in volume terms rose to an annual rate of $2.1 billion compared to a surplus of $635 million in 1980, in

Table 7.1
Summary of the Current Account of Canada's Balance of International Payments

	1976	1977	1978	1979	1980	1981
			(billions of dollars)			
Merchandise exports	38.0	44.3	53.1	65.3	76.2	84.1
Merchandise imports	36.6	41.5	49.0	61.1	68.4	77.5
Balance of trade						
Nominal	1.4	2.7	4.0	4.2	7.8	6.6
Real (1971 dollars)	– 1.7	– 0.7	1.4	– 0.5	0.6	0.9
Service receipts	7.6	8.3	9.9	11.8	14.1	14.9
Service payments	13.4	15.7	18.9	21.5	25.1	29.7
Balance on services	– 5.8	– 7.4	– 9.0	– 9.7	– 11.0	– 14.8
Total receipts	45.6	52.5	63.0	77.1	90.3	99.0
Total payments	50.0	57.3	68.0	82.7	93.4	107.2
Balance on goods and services	– 4.4	– 4.7	– 5.0	– 5.6	– 3.2	– 8.2
Net transfers	0.5	0.4	0.0	0.7	1.3	1.6
Balance on current account	– 3.8	– 4.3	– 4.9	– 4.9	– 1.9	– 6.6

Note: Balances may not be the sum of the detail due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

Table 7.2
The Trade Balance by Commodity Group and Country Group

	1976	1977	1978	1979	1980	1981
	(billions of dollars)					
By commodity group						
Food and related products	1.4	1.3	1.5	2.1	3.4	4.3
Crude material and related products	3.2	3.5	2.9	4.6	3.4	3.1
Fabricated materials	6.0	7.9	10.4	12.4	16.6	16.0
Autos and related products	– 1.2	– 1.2	– 0.8	– 3.3	– 2.7	– 2.9
Other end products	– 8.9	– 9.9	– 11.6	– 13.9	– 15.1	– 17.7
Re-exports and special transactions	0.5	0.5	0.6	0.9	1.2	2.2
Total, customs basis	1.0	2.2	3.1	2.8	6.8	4.7
By country						
United States	0.5	1.5	2.6	0.3	0.7	2.8
United Kingdom	0.8	0.6	0.4	0.6	1.3	1.0
Other EEC	0.6	0.3	– 0.2	0.8	2.6	1.4
Japan	0.8	0.7	0.5	1.8	1.5	0.4
Other OECD	– 0.1	0.0	– 0.2	0.0	0.6	0.4
Other	– 1.2	– 0.3	0.8	0.6	1.2	0.6
Total, balance of payments basis	1.4	2.7	4.0	4.1	7.8	6.6

Note: Details may not add due to rounding.
Source: Statistics Canada, *Summary of External Trade*, monthly, cat. 65-001, and *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

terms of 1971 dollars. In addition, the terms of trade recovered somewhat in the fourth quarter as export prices of goods posted a moderate increase while import prices of goods declined 2.2 per cent.

Canada's trade surplus with the U.S. improved significantly from $727 million in 1980 to $2.8 billion in 1981. However, the surplus with countries other than the U.S. deteriorated sharply in 1981 to generate a decline in the total trade surplus (Table 7.2). The trade surplus declined from $3.9 billion to $2.4 billion with the European Economic Community (EEC) nations, from $1.5 billion to $0.4 billion with Japan, and from $1.2 billion to $0.6 billion with countries outside the OECD. Higher prices of crude oil imports, along with the impact of Alberta production cutbacks, accounted for much of the overall reduction in the trade surplus with non-OECD countries, in particular with Mexico, Algeria, Venezuela, Libya and Nigeria. Imports were also up significantly from South Korea, Taiwan and Hong Kong.

Canada's trade performance in 1981 on a commodity basis reflected a continuation of recent trends. The deficit on manufactured end products continued to widen partly in response to a strong increase in investment in machinery and equipment, the surplus on food and related products continued to increase and the surplus on fabricated products remained the dominant contributor to the overall merchandise trade surplus (Tables 7.2 to 7.4).

There was an $840 million increase in the surplus on food and related products to $4.3 billion in 1981 led by the rise in meat and fish exports to the U.S. and Japan, and sharply higher cereals shipments to Japan. These export gains largely

Table 7.3
Canada's Merchandise Exports
(Balance of payments basis)

	1976	1977	1978	1979	1980	1981
	(billions of dollars)					
Wheat and wheat flour	1.9	2.1	2.0	2.3	3.8	4.0
Other agricultural products	3.0	3.4	4.2	5.4	5.5	6.8
Crude petroleum	2.2	1.7	1.6	2.5	2.9	2.5
Natural gas	1.6	2.1	2.2	3.0	4.0	4.4
Lumber and plywood	1.8	2.5	3.4	4.1	3.6	3.2
Pulp, paper and board	4.7	5.1	5.7	7.3	8.8	9.3
Metals and minerals	6.8	7.7	8.7	10.6	14.6	14.6
Other fabricated materials	2.9	3.9	5.4	7.7	9.2	10.6
Auto and related products	8.3	10.4	12.5	11.8	10.8	13.1
Machinery and equipment	2.8	3.0	4.0	5.4	6.5	7.7
Other manufactured goods	1.7	1.8	2.3	3.4	4.4	4.6
Miscellaneous	0.4	0.5	0.9	1.7	2.1	3.4
Total	38.0	44.3	53.1	65.3	76.2	84.1
	(percentage change)					
Wheat and wheat flour	– 12.6	11.4	– 1.2	12.6	66.8	3.5
Other agricultural products	17.3	13.5	22.8	29.3	2.5	23.5
Crude petroleum	– 28.0	– 19.3	– 9.5	60.7	12.3	– 12.7
Natural gas	41.1	27.1	6.2	35.8	33.7	9.6
Lumber and plywood	67.5	44.1	35.5	19.7	– 12.7	– 10.9
Pulp, paper and board	18.1	9.7	11.6	27.2	21.7	4.9
Metals and minerals	18.6	14.2	12.8	21.6	37.5	– 0.3
Other fabricated materials	18.2	32.6	38.7	42.7	18.6	15.4
Auto and related products	27.9	26.0	20.5	– 5.4	– 9.1	22.0
Machinery and equipment	6.9	7.3	30.8	34.2	21.5	18.0
Other manufactured goods	19.2	6.7	32.7	44.3	30.5	5.1
Miscellaneous	– 53.4	0.7	97.8	93.2	18.4	65.3
Total	13.4	16.5	19.9	23.0	16.7	10.5

Note: Details may not add due to rounding. Trade data on a balance of payments basis are basically those obtained from customs documents adjusted to represent more accurately all economic transactions between residents and non-residents with financial implications for the balance of payments. Customs data include only the physical movement of goods as reflected in the customs reports. Adjustments for timing, coverage and valuation are made to convert these data to a balance of payments basis. The balance of payments adjustments reported by Statistics Canada were allocated to these commodity groupings by the Department of Finance.

Source: Bank of Canada Review, monthly; Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001; and Department of Finance.

Table 7.4
Canada's Merchandise Imports[1]
(Balance of payments basis)

	1976	1977	1978	1979	1980	1981
	(billions of dollars)					
Food	2.5	2.9	3.3	3.7	4.1	4.5
Crude petroleum	3.3	3.2	3.5	4.5	6.9	7.9
Construction material	0.9	1.0	1.1	1.4	1.3	1.7
Industrial material	7.7	8.7	10.8	15.0	17.0	18.6
Auto and related products	9.3	11.3	13.1	15.0	13.3	15.9
Machinery and equipment	7.6	8.6	10.7	14.1	16.9	19.5
Other consumer goods						
United States	2.1	2.3	2.7	3.1	3.4	3.8
Rest of the world	2.4	2.7	3.0	3.4	3.6	4.2
Miscellaneous	0.7	0.8	1.0	1.1	1.8	1.4
Total	36.6	41.5	49.0	61.1	68.4	77.5
	(percentage change)					
Food	6.4	17.1	11.8	12.5	13.2	9.1
Crude petroleum	– 1.2	– 1.0	7.6	29.0	55.0	13.4
Construction material	13.8	5.7	11.2	22.9	– 4.6	23.1
Industrial material	6.9	13.0	23.1	38.9	13.5	9.6
Auto and related products	14.1	21.7	15.6	14.5	– 11.4	19.5
Machinery and equipment	– 1.1	12.3	25.2	31.3	19.6	15.9
Other consumer goods						
United States	16.9	7.9	15.4	15.5	11.3	9.9
Rest of the world	28.5	11.0	13.6	12.4	7.3	16.5
Miscellaneous	2.8	11.4	19.9	18.3	61.0	21.0
Total	7.8	13.4	18.1	24.6	11.8	13.4

Note: Details may not add due to rounding.
[1] See footnote to Table 7.3.
Source: Bank of Canada Review, monthly; Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001; and Department of Finance.

offset higher priced fruit and vegetable imports from the U.S. There was a relatively small $358 million reduction in the crude material trade surplus as a substantial increase in the value of crude petroleum imports more than offset increased exports of iron ore and natural gas.

For the first time in several years, the surplus on fabricated material products failed to increase in 1981, although at $16.0 billion it remains high by historical standards. The growth in the value of fabricated material exports in 1981 slowed to only one-fifth of the rate of increase recorded in 1980 as commodity prices weakened, particularly for non-ferrous metals and lumber. Imports were boosted by the sharp increase in iron and steel imports in response to the Stelco strike in the third quarter of 1981, while wood and paper and chemical imports were also up significantly from year-earlier levels.

The automotive product trade deficit rose to $2.9 billion in 1981 from $2.7 billion in 1980 as the strong export growth was exceeded by even

Table 7.5
Trade Balance in Manufactured End Products

	1976	1977	1978	1979	1980	1981
	(billions of dollars)					
General purpose machinery	– 0.5	– 0.5	– 0.6	– 0.7	– 0.8	– 0.9
Special industry machinery	– 1.8	– 1.8	– 2.1	– 3.0	– 3.8	– 3.5
Agricultural machinery and tractors	– 0.8	– 0.8	– 0.9	– 1.3	– 1.2	– 1.5
Motor-vehicle-related products	– 1.2	– 1.2	– 0.8	– 3.3	– 2.7	– 2.9
Other transportation equipment	0.0	– 0.2	– 0.3	– 0.4	– 0.4	– 0.7
Telecommunications and related equipment	– 0.7	– 0.8	– 0.9	– 1.1	– 1.2	– 1.4
Office machinery and equipment	– 0.4	– 0.5	– 0.6	– 0.7	– 1.2	– 1.7
Other equipment and tools	– 1.8	– 2.0	– 2.4	– 2.6	– 2.7	– 3.2
Consumer goods	– 2.9	– 3.3	– 3.7	– 4.0	– 3.9	– 4.9
Total	– 10.1	– 11.1	– 12.4	– 17.1	– 17.8	– 20.5

Note: Details may not add due to rounding.
Source: Statistics Canada, *Summary of External Trade*, monthly, cat. 65-001.

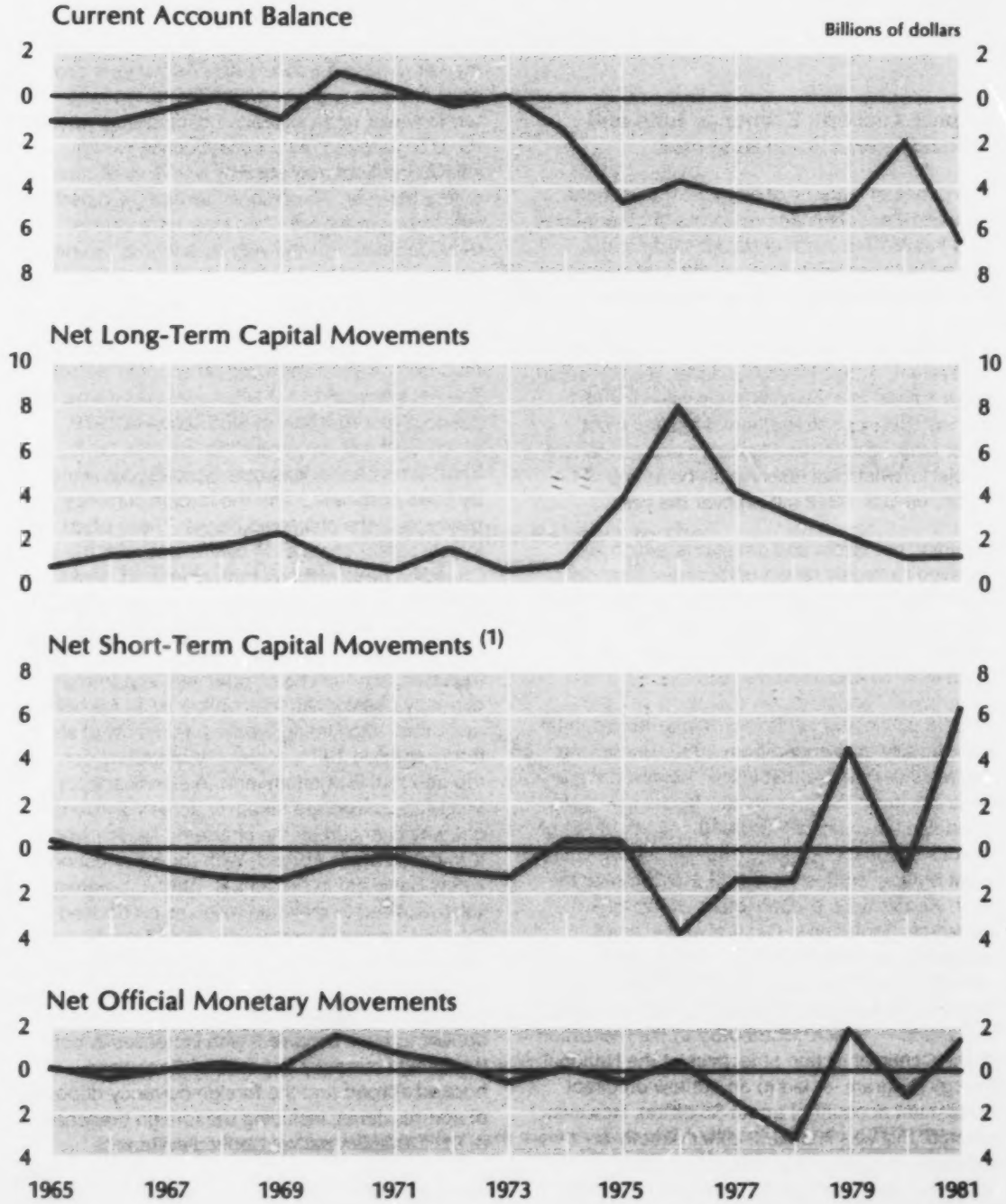
Table 7.6
Canada's Balance of International Payments

	Average 1971-75	1976	1977	1978	1979	1980	1981
	(billions of dollars)						
Current account balance	– 1.2	– 3.8	– 4.3	– 4.9	– 4.9	– 1.9	– 6.6
Merchandise balance	1.7	1.4	2.7	4.0	4.1	7.8	6.6
Services balance	– 3.3	– 5.8	– 7.4	– 9.0	– 9.7	– 11.0	– 14.8
Net transfers	0.4	0.5	0.4	0.0	0.7	1.3	1.6
Long-term capital flows	1.6	8.0	4.2	3.1	2.1	1.3	1.3
Direct investment in Canada	0.5	– 0.3	0.5	0.1	0.7	0.6	– 5.3
Direct investment abroad	– 0.6	– 0.6	– 0.7	– 2.1	– 2.4	– 2.8	– 4.9
Net issues of Canadian securities	1.6	8.1	5.0	5.2	3.1	3.4	10.8
Other	0.1	0.8	– 0.5	– 0.1	0.7	0.1	0.8
Short-term capital flows	0.8	0.1	0.7	1.2	6.8	1.1	14.9
Change in the chartered banks foreign currency position	0.2	– 0.9	1.4	2.8	4.1	1.4	17.9
Other	0.6	1.0	– 0.7	– 1.5	2.6	– 0.3	– 3.0
Errors and omissions	– 1.1	– 3.7	– 2.0	– 2.7	– 2.3	– 2.0	– 8.4
Total capital flows (including errors and omissions)	1.2	4.4	2.9	1.6	6.6	0.4	7.8
SDR allocation	0.0	0.0	0.0	0.0	0.2	0.2	0.2
Net official monetary movement	0.1	0.5	– 1.4	– 3.3	1.9	– 1.3	1.4
Official international reserves	0.1	0.5	– 1.4	– 0.2	– 0.9	– 0.5	0.4
Official monetary liabilities	0.0	0.0	0.0	– 3.1	2.8	– 0.7	– 1.0

Note: Balances may not add due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Balance of Payments*, cat. 67-001.

Chart 7.2

Canadian Balance of International Payments



(1) Includes net errors and omissions.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, quarterly, cat. 67-001.

elling both to the U.S. and overseas dropped somewhat in 1981 in response to the higher cost of fuel in the U.S , sharply increased air fares, the higher cost of services outside North America despite the strengthening of the dollar, and the continued downward pressure on real wages and income in Canada.

Capital Account, Exchange Rate and Official International Reserves

The principal features of financial transactions between Canadians and residents of other countries in 1981 included: large outward capital movements associated with purchases of foreign-owned corporations, a record volume of new issues of Canadian securities abroad, and large scale short-term capital inflows through the banking system. Against the U.S. dollar, the Canadian dollar traded at a lower average value in 1981 than in 1980, but strengthened against most other major currencies. At year's end, Canada's official international reserves stood at U.S. $4.4 billion, up U.S. $342 million over the year.

Including net errors and omissions, which are believed to largely reflect unrecorded financial transactions, there was a net capital inflow of $7.8 billion in 1981. By way of comparison, net inflows of $6.6 billion and $0.4 billion were registered in 1979 and 1980 respectively.

At $1.3 billion, the net inflow of long-term capital was virtually unchanged from 1980. Underlying this relatively modest net inflow, however, were large inflows in the form of new issues of Canadian securities abroad and large outflows on direct investment account. The net direct investment outflow amounted to $10.2 billion over the year. Acquisitions by Canadians of foreign-owned corporations in Canada and abroad played a major role in producing this outcome. Canadian purchases of the controlling interests of non-residents in firms in the oil and gas industry in Canada — which contributed to the realization of the Canadianization objectives of the National Energy Program — led to an outflow on direct investment account of about $6 billion. However, much of this was financed, either directly or indirectly, by borrowing abroad, with the Canadian chartered banks acting as important intermediaries between foreign lenders and Canadian borrowers. While the composition of non-resident financial claims on Canada changed as a result of these transactions, the effect on the overall level of Canada's external liabilities was limited.

Canadian borrowers relied heavily on the bond market to raise funds in 1981. As the year progressed, the margin by which Canadian long-term interest rates exceeded comparable rates in the U.S. widened. As a consequence capital inflows from net new security issues strengthened during the year. Placements abroad were particularly strong in the fall when long-term interest rates declined. For the year as a whole, net new issues of securities abroad resulted in an inflow of $10.8 billion.

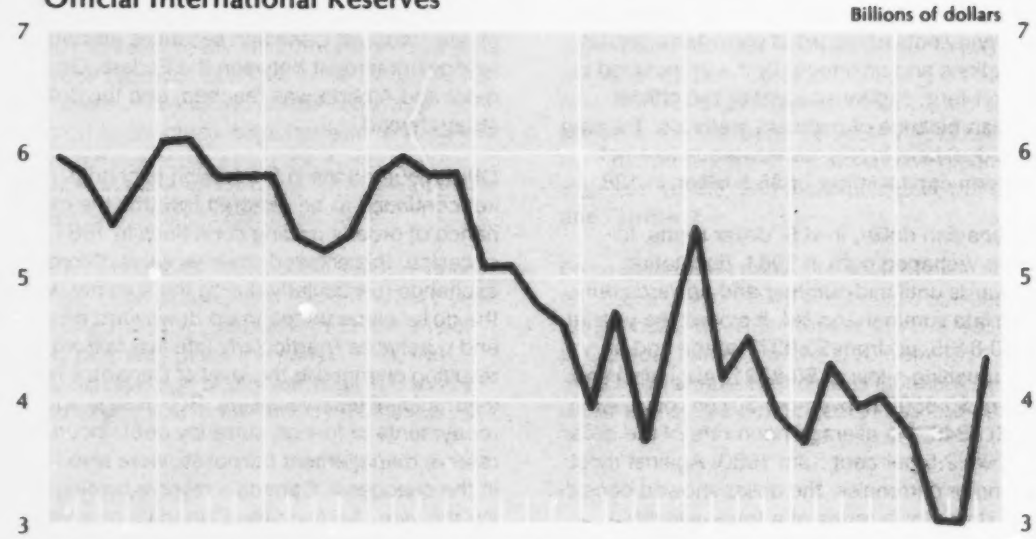
There was a large increase in the net inflow recorded on short-term capital account in 1981. The net inflow of $14.9 billion was well above the previous record inflow of $6.8 billion in 1979, which itself was large by historical standards. Short-term capital flows are typically dominated by flows associated with the foreign currency business of the chartered banks. These often largely reflect changes in claims between the Canadian head offices of the chartered banks and their branches and affiliates abroad. Foreign currency banking inflows were concentrated in the first half of the year. For the year as a whole, the change in the chartered banks' net foreign currency position led to an inflow of $17.9 billion, more than accounting for the total inflow of short-term capital in 1981. A number of factors contributed to this phenomenon. A significant portion of the corporate takeover activity by Canadians was financed by the chartered banks, who in turn raised funds abroad. With the introduction of a new Bank Act in December 1980, the banks were required to maintain reserves on booked-in-Canada foreign currency deposits of residents; a reduction in these of close to $5 billion followed in the first half of 1981. Short-term capital movements, which were offsetting to some degree, appear to have occurred, with increases in both the foreign currency deposits of Canadians booked abroad and the foreign currency deposits of non-residents, including the foreign branches of the Canadian banks, booked in Canada.

Transactions in Canadian money market instruments led to a net inflow of $1.2 billion, up

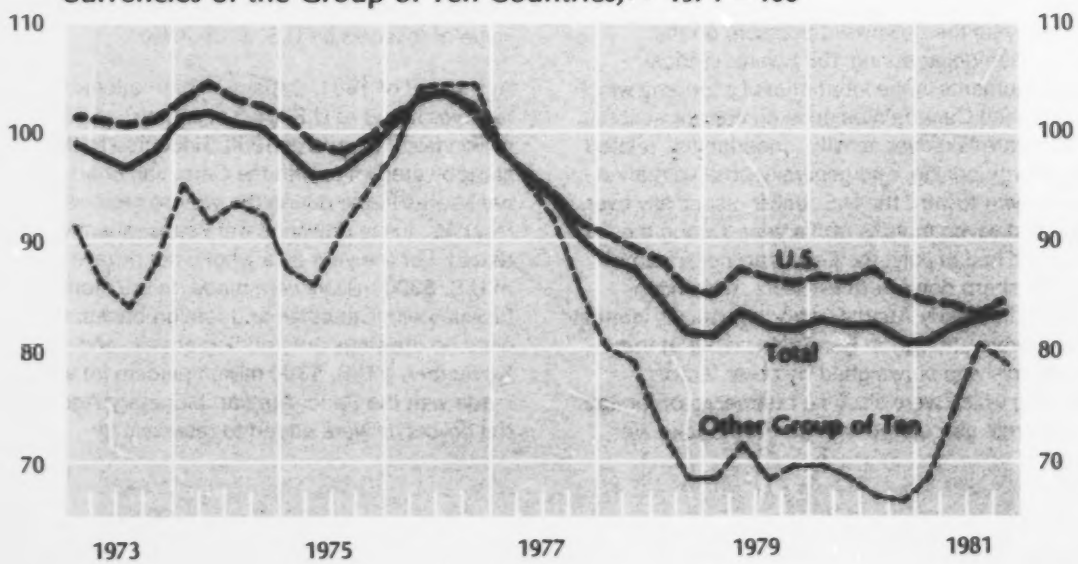
Chart 7.3

Official Reserves and Exchange Rates

Official International Reserves



Price Indexes for the Canadian Dollar Relative to the Currencies of the Group of Ten Countries,(1) 1971 = 100



(1) The various currencies are weighted to reflect each country's share of Canada's foreign trade in 1971. The Groupe of Ten (G-10) includes Germany, Belgium, Canada, the United States, France, Italy, the Netherlands, the United Kingdom, Sweden, Japan and Switzerland.

Source: Bank of Canada, Review, monthly and Department of Finance.

slightly from 1980. In 1981, the "errors and omissions" or balancing item was $8.4 billion, up more than fourfold from the previous year. Almost all items in the balance of payments are susceptible to measurement difficulties. It is generally held that the net errors and omissions item primarily reflects unrecorded short-term capital transactions and until recently it was included in the short-term capital account of the official Canadian balance of payment statistics. Treating the residual item in this manner leads to a net short-term capital inflow of $6.5 billion in 1981.

The Canadian dollar, in U.S. dollar terms, followed a V-shaped path in 1981, fluctuating downwards until mid-summer and upwards during the late summer and fall. It closed the year at U.S. $0.8435, up from $0.8377 at the end of 1980, touching a low of $0.8031 (August 4) and a high of $0.8506 (November 30) en route. At U.S. $0.8340, the average noon rate of the dollar was down 2.5 per cent from 1980. Against most other major currencies, the dollar showed considerable strength; in terms of a trade-weighted index of average noon rates of Group-of-Ten currencies, excluding the U.S. dollar, it was up by more than 11 per cent over 1980.

Underlying the downward pressure on the Canadian dollar during 1981 were: cyclical developments in the international economy which weakened Canada's balance on current account, corporate takeover activity, uncertainties related to energy pricing, and generally positive market sentiment toward the U.S. dollar, especially over the first seven months of the year. During the second half of July, the Canadian dollar came under sharp downward pressure, which continued into early August. While short-term interest rates were strongly in Canada's favour at the time, this was outweighed by other factors, among which were sizeable purchases of foreign exchange associated with corporate takeover activity. On July 29, the Minister of Finance asked the chartered banks to limit lending in which the proceeds are converted to foreign currency and used to finance acquisitions of foreign-owned corporate assets. Subsequently, corporate takeover activity eased, there was a pick-up in new issues of Canadian securities abroad, an energy agreement between the Federal Government and Alberta was reached, and the dollar strengthened.

Official operations in the foreign exchange market continued to be directed towards the maintenance of orderly trading conditions in 1981. On occasion, this entailed sizeable sales of foreign exchange (particularly during the summer when the dollar came under sharp downward pressure) and purchases (particularly late last fall) with resulting changes in the level of Canada's official international reserve assets. Borrowings and repayments of foreign currency debt, incurred for reserve management purposes, were also factors in the changes in Canada's reserve holdings during the year. Additionally, Canada's reserves were affected by an allocation of Special Drawing Rights by the International Monetary Fund, gold sales, and valuation adjustments. The cumulative effect of these three factors increased the book value of reserves by U.S. $205 million.

At the end of 1981, Canada's international reserves stood at U.S. $4,371 million, up $342 million from the end of 1980. Recourse to the standby credit line with the Canadian chartered banks was made during the year to replenish reserves; these drawings were subsequently repaid. For the year as a whole, net repayments of U.S. $900 million were made on the standby facilities with Canadian and foreign banks; there were no drawings outstanding at year-end. In November, a U.S. $300 million placement was made with the Saudi Arabian Monetary Agency; the proceeds were added to reserves.

Appendix

International Competitiveness

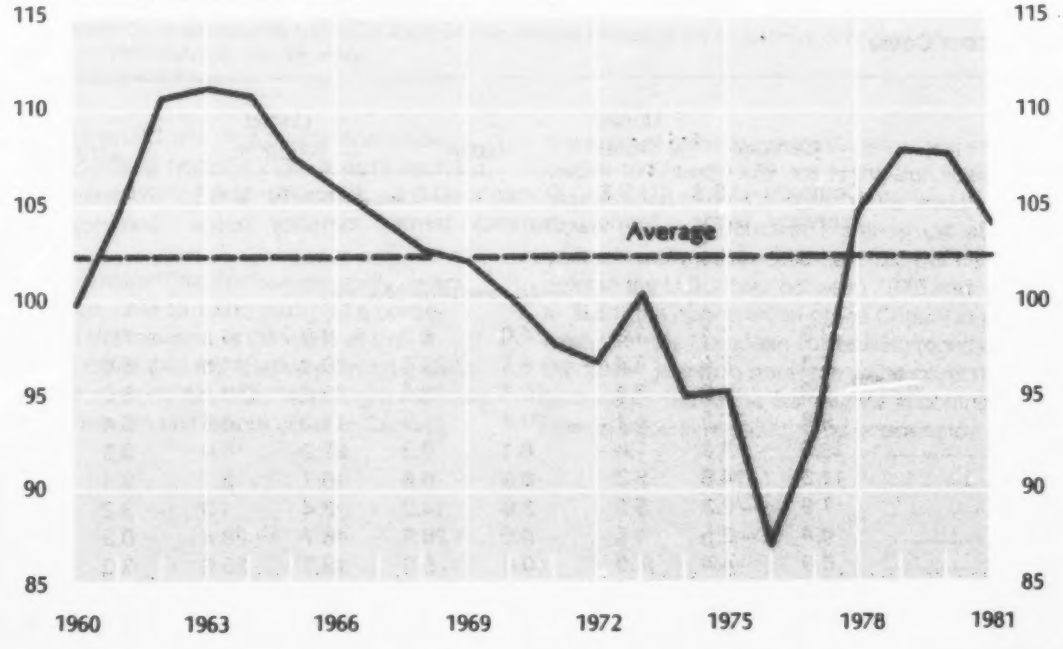
The competitiveness of Canada's products on foreign markets greatly influences the merchandise trade balance. Changes in the domestic currency costs of producing goods in Canada relative to other countries, together with fluctuations in the exchange rate, affect the ability of Canadian industry to compete on international markets and against imports at home.

Table 7.7 compares increases in average hourly earnings, trend productivity and unit labour costs in manufacturing in Canada with its four major trading partners. Since the early 1970s, the increase in average hourly earnings in Canada has exceeded that in the U.S. by nearly 2.5 percentage points on average per year. This gap was well in excess of a productivity differential in favour of Canada and contributed to the depreciation of the Canadian dollar. In U.S. dollar terms, unit labour costs in Canada grew faster than in the U.S. over the 1971-81 period as shown in the first panel of Table 7.7. However, over the same period, Canadian unit labour costs rose less rapidly than those of Japan, the U.K. and Germany.

From the second panel of Table 7.7, it is apparent that a deterioration in domestic currency unit labour costs vis-à-vis those of the U.S. took place in Canada, Japan and the U.K. from 1971 to 1981. The only exception was Germany. In U.S. dollar terms, unit labour costs in all four countries

Chart 7.4

Canada's Competitiveness in the Manufacturing Sector
(Competitiveness Index 1970 = 100)



(1) Weighted average of unit labour costs of competing countries relative to unit labour costs in Canada, the unit labour costs being expressed in U.S. dollars.

Source: Department of Finance

increased faster than in the U.S. From 1971 to 1976, Canadian unit labour costs in U.S. dollar terms rose 26 per cent more rapidly, and in domestic currency terms 20 per cent more rapidly, than those in the U.S. Domestic currency unit labour costs in Canada rose less rapidly than in the U.S. from 1978 to 1980. However, in 1981 Canadian domestic currency unit labour costs again increased faster than in the U.S. Canadian unit labour costs in U.S. dollar terms increased less rapidly than in the U.S. from 1977 to 1981, declining in absolute terms in 1977 and 1978 due partly to the large depreciation of the Canadian dollar.

While the first two panels of Table 7.7 contain a comparison of international unit labour costs, it is more useful to compare domestic unit labour costs with an appropriately weighted average of unit labour costs of Canada's competitors. The third panel of Table 7.7 and Chart 7.4 compare Canadian unit labour costs with those of its 10

Table 7.7
International Comparison of Unit Labour Costs in Manufacturing

	Canada	U.S.	Japan	U.K.	Germany
	(1971-1981 average annual percentage change)				
Productivity	2.7	2.4	5.9	2.1	3.1
Average hourly earnings	10.6	8.2	12.7	15.5	7.7
Exchange rate	– 1.2	—	5.0	– 1.1	4.9
Unit labour costs, U.S. dollars	6.4	5.7	11.6	11.9	9.7

Unit Labour Costs

	Canada		United States	Japan		United Kingdom		Germany	
	Domestic currency	U.S.$ terms	U.S.$ terms	Domestic currency	U.S.$ terms	Domestic currency	U.S.$ terms	Domestic currency	U.S.$ terms
	(percentage change)								
1971	3.8	7.1	3.3	4.6	8.6	8.0	10.4	7.1	12.7
1972	4.1	6.1	2.4	8.4	23.3	10.1	11.6	6.0	15.2
1973	5.3	4.3	3.4	18.3	32.3	12.8	11.5	8.0	30.9
1974	9.8	12.2	5.1	20.4	11.5	11.2	6.5	6.4	9.0
1975	12.6	8.3	7.0	8.1	6.3	27.2	18.9	3.9	8.1
1976	11.3	14.8	5.7	8.3	8.8	18.7	– 3.1	3.1	1.6
1977	7.9	– 0.3	5.2	2.8	14.2	3.4	1.3	3.3	12.0
1978	4.4	– 2.5	5.5	– 2.0	26.9	16.7	28.4	0.9	17.6
1979	6.9	4.4	7.0	0.8	– 5.9	13.7	25.6	3.3	12.2
1980	8.8	8.9	9.2	1.8	– 0.1	15.4	26.1	4.0	3.7
1981	10.2	7.6	8.5	– 0.2	1.5	8.0	– 6.7	3.4	– 16.4
Average 1971-1981	7.7	6.4	5.7	6.5	11.6	13.2	11.9	4.5	9.7

(Table 7.7 cont.)

Changes in Canada's International Competitiveness in Manufacturing

	Domestic currencies	U.S. dollar terms	Period	Domestic currencies	U.S. dollar terms
	(percentage change)			(percentage change)	
1961	0.2	5.0	1971	0.0	– 2.6
1962	0.5	5.7	1972	– 0.7	– 0.9
1963	– 0.4	0.5	1973	0.1	3.7
1964	– 0.3	– 0.3	1974	– 2.5	– 5.2
1965	– 2.9	– 3.0	1975	– 3.7	– 0.3
1966	– 1.5	– 1.5	1976	– 4.0	– 8.7
1967	– 1.6	– 1.6	1977	– 2.4	6.7
1968	– 1.1	– 1.7	1978	0.8	12.8
1969	– 0.4	– 0.5	1979	0.4	2.8
1970	1.2	– 1.8	1980	0.4	0.0
			1981	– 1.9	– 3.7
	Total Compound Change between 1961 and 1970			Total Compound Change between 1971 and 1981	
	– 6.2	– 4.3		– 12.8	6.4

Note: For details on calculating the competitiveness index for the Canadian manufacturing industry, see the *Economic Review*, 1980 or contact the Macro-Analysis Section of the Economic Analysis Division at the Department of Finance. Negative change equals loss in competitiveness, and vice versa.
Source: Department of Finance.

major trading partners on a multilateral trade-weighted basis. A negative change in Table 7.7 is indicative of a loss in competitiveness, and vice versa.

Canada's competitive position generally deteriorated from 1965 to 1976, partly as a consequence of the increase in the value of the Canadian dollar and the relatively strong growth in Canada vis-à-vis the U.S., favouring a relatively faster increase in unit labour costs in Canada.

Substantial gains in competitiveness were realized in 1977 and 1978 due to the significant depreciation of the Canadian dollar and the slower growth in domestic currency unit labour costs. The Canadian dollar fell 15.8 per cent against the U.S. dollar between 1976 and 1979. In 1981, the appreciation of the Canadian dollar relative to the European currencies, together with the faster growth in domestic wage costs relative to the U.S., led to the first decline in competitiveness in trade in manufactured goods since 1976.

8. The Government Sector

This chapter examines the developments which took place in the government sector of the economy during 1981. The budget balance positions, revenues and expenditures of the federal government, provincial-local-hospital sector, the Canada and Quebec Pension Plans and the total government sector are reviewed. Additional information on the governments' financial requirements, public debt and debt management is provided. The analysis of the cyclically adjusted budget balance which was provided in previous issues of the *Economic Review* is updated.[1]

Federal Government

As shown in Table 8.1 the federal deficit on a national accounts basis declined by $3.2 billion in 1981, compared to a $1.5 billion increase in 1980. Much of the above-average increase in revenue resulted from the introduction of new energy taxes under the National Energy Program (NEP). Interest on the public debt accounted for a significant portion of the increase in federal government expenditure.

Table 8.2 indicates that federal revenue, which is calculated in the national accounts with the petroleum compensation charge (PCC) treated on a gross basis, rose 27.8 per cent in 1981, compared with 15.2 per cent in 1980. More than 85 per cent of this growth was due to indirect taxes and direct taxes on persons. Indirect taxes, including gross PCC revenues, grew 55.3 per cent to $18.8 billion in 1981 compared with a 13.8-per-cent increase to $12.1 billion in 1980. Direct taxes on persons grew 24.0 per cent to $29.1 billion in 1981 compared to a 16.7-per-cent increase to $23.4 billion in 1980. A number of new energy taxes were responsible for much of the total increase in indirect taxes shown in Table 8.2. The petroleum compensation charge introduced in October 1980 as part of the new blended pricing program is set to raise sufficient revenues to cover the cost of compensating refin-

Table 8.1
Federal Government Revenue, Expenditure and Net Position (National accounts basis)

	Revenue		Expenditure		Surplus or deficit (–)
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)	(millions of dollars)
1974	29,978	31.4	28,869	28.8	1,109
1975	31,703	5.8	35,508	23.0	– 3,805
1976	35,313	11.4	38,704	9.0	– 3,391
1977	36,509	3.4	43,812	13.2	– 7,303
1978	38,325	5.0	48,979	11.8	– 10,654
1979	43,461	13.4	52,674	7.5	– 9,213
1980	50,076	15.2	60,773	15.4	– 10,697
1981	63,984	27.8	71,488	17.6	– 7,504

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

[1] Unless otherwise stated, the information in this chapter is based on national accounts calendar year data.

Table 8.2
Federal Government Revenue
(National accounts basis)

	1980		1981	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Direct taxes—persons				
Personal income taxes	19,138	17.2	23,005	20.2
Employer/employee contributions to government pension funds	1,179	5.6	1,358	15.2
Employer/employee contributions to unemployment insurance	3,117	11.4	4,702	50.9
Total	23,434	15.7	29,065	24.0
Direct taxes—corporations				
Corporate income taxes	8,002	16.2	7,632	– 4.6
Petroleum and gas revenue tax	0	n.a.	992	n.a.
Total	8,002	16.2	8,624	7.8
Non-resident tax	995	32.0	1,110	11.6
Indirect taxes				
Sales and other excise taxes	5,732	12.6	6,775	17.8
Oil export charge	850	18.4	975	14.7
Customs duties	3,124	3.7	3,485	11.6
Excise duties	984	9.6	1,171	19.0
Gasoline excise tax	441	3.0	448	1.6
Petroleum compensation charges	766	140.9	4,265	456.8
Natural gas and gas liquids tax	0	n.a.	845	n.a.
Canadian ownership charge	0	n.a.	630	n.a.
Other[1]	234	19.4	264	12.8
Total	12,131	13.8	18,838	55.3
Investment income	4,718	12.4	5.401	14.5
Other revenue[2]	796	13.2	946	18.8
Total revenue	50,076	15.2	63,984	27.8

[1] Other indirect taxes include the airport tax, western grain stabilization levy and miscellaneous indirect taxes.
[2] Other revenue includes other transfers from persons and capital consumption allowances.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

ers using imported oil and domestic oil qualifying for the new oil reference price. The charge replaces the former Syncrude levy. PCC revenue in 1981 was $3.5 billion higher than Syncrude levy revenue in 1980. The Canadian ownership charge and the natural gas and gas liquids tax, two other energy-related taxes, accounted for $1.5 billion of new revenue in 1981. Revenue from the sales tax and other excise taxes and duties, which are mostly *ad valorem*, grew

Table 8.3
Federal Government Expenditure
(National accounts basis)

	1980		1981	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Final demand expenditure				
Current goods and services				
Wages and salaries	8,321	7.4	9,839	18.2
Other[1]	5,386	7.7	6,461	20.0
Total	13,707	7.5	16,300	18.9
Gross capital formation	1,014	11.3	1,044	3.0
Total	14,721	7.8	17,344	17.8
Transfers to persons				
Family allowances	1,812	6.8	1,958	8.1
OAS/GIS benefits	7,020	15.4	8,213	17.0
Unemployment insurance benefits	4,424	9.8	4,862	9.9
Other[2]	3,318	16.6	3,810	14.8
Total	16,574	13.1	18,843	13.7
Subsidies				
Petroleum compensation payments	3,925	174.5	4,264	8.6
Other[3]	1,561	– 12.8	2,009	28.7
Total	5,486	70.4	6,273	14.3
Capital assistance	707	29.5	761	7.6
Transfers to non-residents	804	6.3	857	6.6
Interest on the public debt	9,653	19.5	13,350	38.3
Transfers to other levels of government				
Canada Assistance Plan	1,827	17.2	2,223	21.7
Fiscal arrangements	3,756	18.2	4,154	10.6
Established Programs Financing	4,960	0.7	5,194	4.7
Extended health care	635	6.2	704	10.9
Other[4]	1,650	10.5	1,785	8.2
Total	12,828	9.1	14,060	9.6
Total expenditure	60,773	15.4	71.488	17.6

[1] Other goods and services include expenditure on currently produced goods and services, capital consumption allowances and capital expenditure for defence.
[2] Other transfers to persons include veterans' pensions and allowances, government pensions and transfers to native groups.
[3] Other subsidies include payments to the C.B.C., transportation subsidies and agricultural subsidies.
[4] Other transfers to other levels of government include grants to municipalities and territories in lieu of taxes, DREE grants to the provinces and bilingualism grants.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

broadly in line with nominal gross national expenditures (GNE) at 16.0 per cent to reach $11.4 billion in 1981. The specific excise tax on gasoline grew 1.6 per cent to $448 million in 1981.

Most of the increase in direct taxes on persons was due to personal income taxes, which grew 20.2 per cent to $23.0 billion in 1981. This resulted in part from an increase in the growth rate in nominal personal income from 12.2 per cent in 1980 to 16.6 per cent in 1981. The positive difference between the growth of income per tax-filer and the 9.8-per-cent indexation factor in 1981 was another important influence. The large $1.6 billion increase in employer/employee contributions to the unemployment insurance fund raised its rate of growth from 11.4 per cent in 1980 to 50.9 per cent in 1981. This result was due to a 33.3-per-cent increase in the contribution rates to $1.80 (employees) and $2.52 (employers) per $100 of weekly insurable earnings, an 8.6-per-cent increase in maximum insurable earnings, and an increase in the insured population.

The growth in direct taxes on corporations is due entirely to the $1 billion in new revenue from the petroleum and gas revenue tax (PGRT). Corporate profits on a national accounts basis fell 8.9 per cent in 1981 compared to a 7-per-cent increase in 1980 and, as a result, corporate income tax liabilities excluding the PGRT decreased 4.6 per cent in 1981 compared to a 16-per-cent increase in 1980. Higher interest rates were largely responsible for the 14.5-per-cent increase in federal government investment income.

As shown in Table 8.3, total federal expenditure on a national accounts basis increased 17.6 per cent in 1981 to $71.5 billion, up $10.7 billion from 1980. While the growth rates of transfers to other levels of government and to persons remained fairly stable, a slowing in the growth rates of subsidies and capital assistance was offset by substantial increases in the growth rates of final demand expenditures and interest on the public debt. With higher interest rates and a larger amount of outstanding debt, interest payments on the public debt grew 38.3 per cent to $13.4 billion in 1981. This $3.7 billion increase in interest payments accounted for 34.5 per cent of the increase in total government expenditure.

Transfer payments to persons increased 13.7 per cent to $18.8 billion in 1981. More than half of this growth was due to increases in old age security benefits, guaranteed income supplements, and spouses' allowances. Expenditures for these benefits increase automatically because these programs are indexed quarterly to increases in the CPI. In addition, the number of recipients of the guaranteed income supplement grew quite rapidly in 1981 — the first full year of payments since the $35 per month enrichment of this benefit effective July 1, 1980.

Transfer payments to other levels of government increased 9.6 per cent to $14.1 billion in 1981. Approximately one-third of this increase can be attributed to the Canada Assistance Plan, which reflected higher program costs and increased case loads of welfare programs.

Final demand expenditures on goods and services increased at a high 17.8-per-cent rate to $17.3 billion in 1981, after a low 7.5-per-cent increase in 1980. Special factors relating to the timing of certain transactions, including salary payments, appear to have influenced the 1981 growth rate. In order for Statistics Canada to conduct the 1981 census, person-year requirements for 1981 were temporarily raised by over 1,000 person-years. Excluding the census, authorized person-year growth in fiscal year 1981/82 was set at 0.6 per cent, compared to a 1.8-per-cent decline in 1980/81. In 1981 the government transferred its uranium stockpile to Eldorado Nuclear Limited, a federal Crown corporation, in exchange for equity. In the national accounts this transaction was treated as a decrease in the government inventory portion of gross capital formation and as an increase in business inventory, because Eldorado Nuclear Limited is included in the corporate sector. As a result of this transaction federal government gross capital formation registered only a small increase in 1981.

Table 8.4 extends the national accounts balance to include loans and other transactions, and thus to arrive at the financial requirements of the federal government. The "loans and other transactions" category includes loans to financial intermediary Crown corporations and other agencies which are not considered part of the federal government in the national accounts.

Table 8.4
Federal Government Financial Transactions[1]
(Extended national accounts presentation)

	1980	1981
	(millions of dollars)	
Deficit (national accounts basis)	– 10,697	– 7,504
Loans and other transactions		
Loans, investments and advances	– 894	– 1,043
Cash versus accruals[2]	– 558	409
Other transactions	1,037	915
Net source or requirement (–)	– 415	281
Financial requirements (excluding foreign exchange transactions)	– 11,112	– 7,223
Foreign exchange transactions[3]	758	– 1,345
Total financial requirements	– 10,354	– 8,568
Unmatured domestic debt transactions	11,988	12,078
Change in cash balance	1,634	3,510
Level of cash balances at end of period	4,150	7,660

[1] The national income and expenditure accounts balances are subject to revision, and the loans and other transactions series are derived from unaudited monthly data. Any imprecision in these items would also affect the residually determined cash versus accruals series.

[2] In arriving at the national accounts surplus or deficit, certains items such as corporate income tax liabilities and the oil export charge are calculated on an accrual basis. This adjustment is required to convert the transactions to a cash basis.

[3] Source or requirement (–).

Source: Department of Finance.

Financial requirements (excluding foreign exchange transactions) exceeded the national accounts deficit by $415 million in 1980, but were $281 million less than the 1981 deficit. Requirements for loans, investments and advances were $149 million higher in 1981 while the "cash versus accruals" category provided a $409 million source of funds, as compared to a $558 million requirement in 1980. Other transactions in 1981 provided $915 million, or $122 million below the 1980 source of $1,037 million. Within "other transactions", there was a $182 million additional source from the provincial tax collection account, a deposit and trust account which is credited with estimated provincial income tax collections and from which payments are made to the provinces participating in the tax collection agreements. However, this was more than offset by a $25 million reduction in the CPP account, net of investment in provincial securities, and a $279 million additional requirement for other assets and liabilities due to timing adjustments.

The unmatured debt transactions do not include foreign currency borrowings. Such borrowings are recorded in foreign exchange transactions and influence the government's Canadian dollar cash balances only to the extent that such funds are used to purchase Canadian currency in the exchange market.

Debt Management

In 1981 a relatively large debt program was carried out by the federal government. The Government of Canada raised $12.1 billion net new

funds in domestic markets in 1981 which increased outstanding Government of Canada direct and guaranteed securities from $77.1 billion at the end of 1980 to $89.2 billion at the end of 1981. Marketable bond issues accounted for $4.3 billion of total net new funds raised in domestic markets and Canada Savings Bonds accounted for the remaining $8 billion. On balance, no new funds were raised in domestic markets through the issue of Treasury bills. The total amount borrowed exceeded both the $11.4 billion total for 1980 and the $7.6 billion raised in 1979.

With respect to Canadian dollar debt up until November 1981, the proportion of Treasury bills and marketable bonds outstanding had been increasing steadily while the proportion of Canada Savings Bonds (CSBs) had been decreasing. These developments reflected the government's policy since early 1975 of reducing its dependence on CSBs as a source of new borrowed funds in order to reduce the proportion of CSBs in the debt structure and encourage an increase in holdings of marketable Government of Canada debt by the non-bank investing public. As a result of this policy, the proportion of CSBs to the total Canadian dollar debt had fallen from 36.4 per cent at the end of 1977 to 22.7 per cent at December 31, 1980. In 1981, following two years of quite large net CSB redemptions, it was decided to use CSBs as a source of new funds. The CSB campaign raised more funds than anticipated because market interest rates began to decline unexpectedly after the first-year rate on the 1981/82 series was fixed at 19.5 per cent, which was in line with other interest rates at that time. As a result, the proportion of CSBs outstanding in total domestic Government of Canada direct and guaranteed securities increased to 28.7 per cent by the end of 1981, about the same proportion as at the end of 1979. CSBs as a proportion of non-bank general public holdings of Canada debt rose from 35.1 per cent in 1980 to 41.7 per cent in 1981, following six years of decline since their 1974 peak of 74.0 per cent (Table 8.6).

The $4.3 billion in new funds realized in 1981 through the issue of domestic marketable bonds was markedly lower than the $7.2 billion raised in 1980 as the very large net CSB sales limited the need to raise new funds through marketable bond issues. Despite an often unsettled bond market and volatile prices, Canada bond issues were generally well received throughout the year. This was primarily owing to the large amount of funds available for investment and the flexibility

Table 8.5
Outstanding Government of Canada Direct and Guaranteed Securities[1] (Denominated in Canadian dollars)

	December 31, 1979		December 31, 1980		December 31, 1981	
	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)
Treasury bills	15.2	23.2	20.7	26.9	20.7	23.2
Marketable bonds	31.5	47.9	38.7	50.2	43.0	48.2
Canada Savings Bonds	18.9	28.8	17.6	22.8	25.6	28.7
Total	65.7	100.0	77.1	100.0	89.2	100.0

Note: Numbers may not add due to rounding.

[1] These numbers include direct and guaranteed securities and are obtained from the *Bank of Canada Review*. Consequently, they may differ from the numbers in Table 8.4 which are obtained from the *Statement of Financial Operations* and which are net of the government's own holdings.

Source: Department of Finance.

Table 8.6
Non-Bank General Public Holdings of Government of Canada Direct and Guaranteed Securities (Denominated in Canadian dollars)

	December 31, 1979		December 31, 1980		December 31, 1981	
	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)
Treasury bills	4.0	9.8	7.6	15.1	6.8	11.1
Marketable bonds	18.1	44.1	25.0	49.8	29.0	47.2
Canada Savings Bonds	18.9	46.1	17.5	35.1	25.6	41.7
Total	41.0	100.0	50.2	100.0	61.4	100.0

Source: Department of Finance.

of the government's debt program. Investors continued to direct their funds towards extendible bonds in the volatile interest rate environment, limiting their investment in the long-term bond market.

The marketable bond program consisted of eight issues in total, one fewer than in each of the previous two years. However only 24.0 per cent of the bonds issued in 1981 had a term to maturity in excess of 10 years. This compares with 34.0 per cent in 1980 and 60 per cent in 1979. Extendible bonds were the dominant form of bonds issued during 1981, constituting just over $4 billion or 61.0 per cent of total marketable Canada bonds issued. The extendible issues had an initial maturity of 3½ to five years and are exchangeable, at the option of the holder, for bonds bearing the same interest coupon and maturing five or seven years later.

No net new funds were raised through the issue of Treasury bills in 1981, in sharp contrast to the increased emphasis on this debt instrument in recent years. This development reflects the impact of the CSBs on the debt program as the amount of Treasury bills outstanding was built up in the previous two fiscal years to meet CSB redemptions, whereas in 1981 they were not built up as a result of the very large net CSB sales in the fall of 1981. The shift in emphasis away from Treasury bills illustrates the more flexible features of the debt program and is highlighted by the fact that during the final quarter of 1981 total Treasury bills maturing exceeded new issues of such bills by almost $2.2 billion. This development also illustrates the adaptability of the debt program to changing market conditions.

The non-bank general public continued to play an increasingly significant part in the government's debt financing, increasing its holdings of Government of Canada debt by $11.2 billion in 1981, compared to $9.2 billion and $5.9 billion in 1980 and 1979 respectively. This sector's holdings of CSBs rose sharply in 1981, in contrast to the decline of recent years, as investors responded to the attractive rate of return offered on these bonds. Thus the general public purchased, on balance, $8 billion of CSBs. In contrast, the general public acquired, on balance, only $3.2 billion of marketable Government of Canada securities, or 74.0 per cent of the total offered in 1981 compared to 83.0 per cent in 1980.

As a result of the CSB campaign in 1981 gross sales of about $12.8 billion were realized, up sharply over the $3.2 billion produced in the 1980 campaign. Net sales during the campaign period, after allowance for redemptions of outstanding issues, amounted to $11.5 billion compared to $1.5 billion in 1980. The terms of the CSBs announced on September 11, 1981 offered a rate of 19.5 per cent in the first year and a minimum rate of 10.5 per cent in each of the remaining six years.

The government undertook one foreign currency loan in the bond markets in 1981. In November it borrowed U.S. $300 million through a private placement with the Saudi Arabian Monetary Agency. The offering consisted of a single maturity of 5-year 16.25-per-cent (semi-annual) bonds dated November 3, 1981 and due November 3, 1986. There were also several drawings made in 1981 on the standby credit facility with Canadian banks, to bolster foreign exchange reserves. In February, a drawing of U.S. $300 million was made on this facility and an equal and offsetting repayment under the standby credit facility with U.S. and other foreign banks was effected. In May, July and August the government drew down U.S. $300 million, U.S. $700 million and U.S. $500 million respectively on its $3.5 billion standby credit facility with the chartered banks. By year-end all of these loans had been repaid. No drawings were outstanding under the facility with U.S. and other foreign banks.

The reference tables provide details of new issues and retirements of Government of Canada marketable debt in 1981 and changes in marketable securities and CSBs outstanding.

While the borrowing requirements discussed above were on a calendar year basis, data on public debt are shown in the public accounts on a fiscal year basis. Federal government domestic unmatured debt transactions and foreign borrowings increased total unmatured debt outstanding by $5.4 billion in 1979/80 and $11.1 billion in 1980/81 as indicated in the reference tables. As a percentage of GNP, total unmatured debt outstanding increased from 25.6 per cent in 1979/80 to 26.3 per cent in 1980/81 in part as a result of an increase in cash balances and a substantial net requirement for funds from foreign exchange transactions. Net debt increased from 23.9 per cent of GNP in 1979/80 to 24.8 per cent in 1980/81. Net debt charges (gross public debt charges less return on investment) increased from 2.0 per cent of GNP in 1979/80 to 2.3 per cent in 1980/81 while gross debt charges increased from 3.3 per cent of GNP to 3.7 per cent over the same time period.

Table 8.7
Provincial-Local Government (Including Hospitals) Revenue, Expenditure and Net Position (National accounts basis)

	Revenue		Expenditure		Balance		
					All provinces	Sask., Alta. and B.C.	Other provinces[1]
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)	(millions of dollars)	(millions of dollars)	(millions of dollars)
1973	26,420	14.1	27,024	13.1	– 604	298	– 902
1974	32,630	23.5	32,715	21.1	– 85	799	– 884
1975	37,426	14.7	39,673	21.3	– 2,247	377	– 2,624
1976	43,423	16.0	45,437	14.5	– 2,014	935	– 2,949
1977	51,102	17.7	51,042	12.3	60	1,886	– 1,826
1978	57,886	13.3	56,635	11.0	1,251	3,003	– 1,752
1979	64,221	10.9	63,392	10.2	1,829	3,235	– 1,406
1980	71,829	11.8	70,117	12.4	1,712	3,853	– 2,141
1981	80,801	12.5	78,743	12.3	2,058	3,951	– 2,147

[1] Includes Yukon and Northwest Territories.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001, and *Provincial Economic Accounts*, annual, cat. 13-213; and Department of Finance.

Provincial and Local Governments

The surplus of the provincial-local government sector including hospitals increased 20.2 per cent to slightly more than $2 billion in 1981, on a national accounts basis. Thus, as shown in Table 8.7, there was a resumption of the half-decade trend to larger surpluses which had been interrupted in 1980. This sector's total revenue increased 12.5 per cent in 1981, a rate 0.7 of a percentage point above that of 1980 (Table 8.8). Discretionary tax increases, with an impact of over $1 billion in 1981, contributed to the faster rate of growth of revenues. The growth rate of

Table 8.8
Provincial-Local Government (Including Hospitals) Revenue (National accounts basis)

	1980		1981	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Direct taxes—persons				
Personal income tax	12,989	14.5	15,672	20.7
Other[1]	2,402	9.4	2,618	9.0
Total	15,391	13.7	18,290	18.8
Direct taxes—corporations	3,606	14.8	3,413	– 5.4
Indirect taxes				
Retail sales tax	6,104	8.6	7,060	15.7
Gasoline tax	1,878	8.4	2,273	21.0
Tobacco tax	717	9.1	858	19.7
Local property tax	9,359	10.3	10,384	11.0
Other[2]	5,945	10.5	6,671	12.2
Total	24,003	9.7	27,246	13.5
Investment income				
Natural resource royalties[3]	5,543	18.9	5,653	2.0
Other[4]	4,296	14.0	5,130	19.4
Total	9,839	16.7	10,783	9.6
Other own-source revenue	6,162	12.4	7,009	13.7
Total own-source revenue	59,001	12.5	66,741	13.1
Federal cash transfers	12,828	9.1	14,060	9.6
Total revenue	71,829	11.8	80,801	12.5

[1] Other direct taxes on persons include: estate taxes, public service pension contributions and employer and employee workmen's compensation contributions.
[2] Other indirect taxes include: motor vehicle licences, profits of provincial liquor boards, amusement taxes, licences, fees and permits, interest and tax penalties and miscellaneous indirect taxes.
[3] Includes remittances from the British Columbia Petroleum Corporation.
[4] Other investment income includes: interest earnings on government held financial assets, imputed banking services and remitted profits from Crown corporations other than the British Columbia Petroleum Corporation.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

expenditures declined 0.1 of a percentage point to 12.3 per cent in 1981, returning to below the rate of growth of nominal GNP (Table 8.9). The trend towards a larger surplus in the western provinces of British Columbia, Alberta and Saskatchewan continued, as the surplus for this region rose slightly to nearly $4.0 billion in 1981. In the other provinces from Manitoba to Newfoundland the national accounts deficits remained constant at about $2.1 billion in 1981.

Total provincial-local government revenues from their own sources grew 13.1 per cent in 1981. If investment income revenues and the change in revenues resulting from provincial tax measures were excluded, the rate of growth of own-source revenues would have been 11.8 per cent, a rate somewhat below the 13.3-per-cent growth in nominal GNP in 1981. Above-average growth rates for direct taxes on persons, retail sales taxes, gasoline taxes, tobacco taxes and interest earnings were offset by below-average growth rates for corporate income taxes, natural resource royalties and local property taxes.

Direct taxes on persons increased 18.8 per cent in 1981 compared to 13.7 per cent in 1980. While the slower growth in 1980 reflected some discretionary cuts in personal income taxes, the stronger growth in 1981 reflected a discretionary rate increase in Ontario and a doubling of the employer contribution rate to the payroll tax for health services in Quebec. In addition, taxable personal incomes grew relatively strongly in 1981. The slowdown in economic activity in the last few months of 1981 was reflected in a reduction in corporate profits of 8.9 per cent in 1981. The decline in corporate profits together with some minor discretionary reductions in corporate taxes caused direct corporate tax revenues to fall 5.4 per cent in 1981.

The higher growth rate of indirect taxes in 1981 (13.5 per cent compared to 9.7 per cent in 1980)

Table 8.9
Provincial-Local Government (Including Hospitals) Expenditure (National accounts basis)

	1980		1981	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Final demand expenditure				
Current goods and services				
Wages and salaries	32,633	14.5	36,808	12.8
Other[1]	11,486	7.8	12,964	12.9
Total	44,119	12.7	49,772	12.8
Gross capital formation	7,070	8.0	7,887	11.6
Total final demand	51,189	12.0	57,659	12.6
Transfers to persons	11,167	16.4	12,097	8.3
Subsidies and capital assistance	1,695	5.6	1,827	7.8
Interest on the public debt	6,066	10.4	7,160	18.0
Total expenditure	70,117	12.4	78,743	12.3

[1] Other current expenditures on goods and services include medicare, depreciation and miscellaneous expenditures.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

can be attributed to increases in tax bases and some discretionary indirect tax measures introduced in 1981. In British Columbia the retail sales tax rate was increased from 4 to 6 per cent. During the year Newfoundland, New Brunswick, Ontario and British Columbia shifted from specific to *ad valorem* motive fuel taxation, and Quebec increased its tax rate on fuel from 20 to 40 per cent. As a result, gasoline tax revenues grew 21.0 per cent in 1981 compared to 8.4 per cent in 1980. The shift to taxing cigarettes on an *ad valorem* basis in Newfoundland, New Brunswick, Ontario and British Columbia, combined with other discretionary tax increases on alcohol and tobacco, raised such revenues by nearly $100 million in 1981.

The growth rate of natural resource royalties was significantly lower in 1981. The Alberta oil cutbacks in the months prior to the federal-provincial energy agreements, combined with lower oil production in Saskatchewan and British Columbia, lower domestic demand for natural gas, and a decrease in natural gas exports, were all important in explaining this development. For the year as a whole, these factors more than offset the impact of the federal-provincial oil and gas pricing and revenue-sharing agreements, which yielded about $110 million in extra revenues to the three main producing provinces.

The growth rate of provincial-local government expenditures returned to below that of nominal GNP in 1981. Table 8.9 records the components of this expenditure growth. Despite lower budgetary and non-budgetary requirements, higher borrowing combined with markedly higher interest rates raised the rate of growth of interest payments on public debt to 18.0 per cent. Such payments were $7.2 billion in 1981. Government sector wages and salaries grew 12.8 per cent in 1981, down slightly from 14.5 per cent in 1980. While employment grew slightly faster than that of the national economy, average provincial-local government wage rates grew slightly slower than those for the economy as a whole. Total employment in the areas of public administration, education, hospitals and welfare rose 3.3 per cent in the first seven months of 1981 from the corresponding period of the previous year. Contrasted to expansions in employment in hospitals and welfare of 8.7 per cent and in education of 2.6 per cent, employment in public administration declined 3.4 per cent in 1981. As a result of relatively high levels of economic activity and in-migration, the growth rate of employment in the provincial-local hospital sector in British Columbia, Alberta and Saskatchewan was 6.3 per cent compared to 2.3 per cent for the rest of Canada. The 11.6-per-cent rate of growth of capital formation in the provincial-local government sector primarily reflected above-average investment in equipment, schools, and provincial and municipal building in western Canada. At the same time, investment expenditures were somewhat constrained by high interest rates and an uncertain environment, which on occasion interrupted borrowing programs.

Borrowing requirements of the provincial-local government sector amounted to $11.3 billion or 3.9 per cent of nominal GNP in 1980. The ratio of borrowing requirements to GNP had peaked at 7.1 per cent in the middle of the 1970s and declined to 3.5 per cent in 1979. As shown in Table 8.10, the first three quarters of 1981 saw an increase in borrowing requirements of more than $2 billion, a 0.4-percentage-point increase in the ratio of borrowing requirements to GNP over the corresponding period a year earlier.

Within the government sector, relatively stable net budgetary positions combined with a decrease in net new illiquid financial assets and a substantial increase in cash balances, left direct borrowing requirements $1.7 billion higher in the first three quarters of 1981 than in the corresponding period in 1980. Borrowing by government-owned enterprises for capital formation and cash balances was $0.7 billion higher for the first three quarters of 1981 than in the corresponding period of 1980. Together, government direct and guaranteed enterprise financing requirements fell $0.8 billion to $6.2 billion in the provincial-local sector, while net new cash balances rose $3.1 billion in the first three quarters of 1981. As a percentage of GNP, internally-generated enterprise funds fell 0.1 of a percentage point in the first three quarters of 1981 compared to the same period in 1980. While total net borrowing increased by $2.2 billion in the first three quarters of 1981 to $9.8 billion, bond borrowing in foreign markets increased by $2.5 billion to a level of $2.7 billion over the same period. Net new holdings of bonds by the Canada and Quebec Pension Plans and provincial and local governments

Table 8.10
Provincial-Local Government (Including Hospitals) and Enterprise Borrowing Requirements and Financing[1] (Financial flow accounts basis)

	1980	Jan.-Sept. 1980	Jan.-Sept. 1981	1980	Jan.-Sept. 1980	Jan.-Sept. 1981
	(millions of dollars)			(percentage of GNP)		
Requirements (–)						
Government						
Budgetary surplus or deficit (–)	1,712	1,596	1,570	0.6	0.7	0.6
Net new non-cash financial assets	– 8,199	– 4,506	– 3,430	– 2.8	– 2.1	– 1.4
Increases in cash balances (–)	112	– 1,026	– 3,760	0.0	– 0.5	– 1.5
Direct borrowing requirements	– 6,375	– 3,936	– 5,620	– 2.2	– 1.8	– 2.3
Enterprise						
Internally generated funds	2,764	2,070	2,096	1.0	1.0	0.9
Capital formation	– 8,179	– 6,136	– 6,440	– 2.8	– 2.9	– 2.6
Increases in cash balances (–)	– 30	– 335	– 727	0.0	– 0.2	– 0.3
Enterprise borrowing	– 5,445	– 4,401	– 5,071	– 1.9	– 2.1	– 2.1
Net borrowing						
Domestic						
Bank and other short term[2]	1,631	734	897	0.6	0.3	0.4
Other (excluding claims on associated enterprises)	– 91	– 123	573	0.0	– 0.1	0.2
Bonds by holder	9,751	7,024	8,312	3.4	3.3	3.4
Persons and unincorporated business	883	1,122	– 325	0.3	0.5	– 0.1
Provincial and local governments	3,171	1,855	2,375	1.1	0.9	1.0
Canada Pension Plan	1,901	1,536	1,745	0.7	0.7	0.7
Caisse de dépôts and other provincial government institutions	1,019	679	588	0.4	0.3	0.2
Insurance, pensions and other Canadian	2,189	1,603	1,232	0.8	0.7	0.5
Rest of world	588	229	2,697	0.2	0.1	1.1
Total net borrowing[3]	11,291	7,635	9,782	3.9	3.6	4.0

[1] Since complete data for 1981 will not be available until after the *Review* is published, this table provides information for 1980 and, for comparison purposes, the data for the first nine months of 1980 and 1981.

[2] Consists of all domestic and foreign-pay loans, trade payables, finance, and other short-term paper.

[3] The total of government and enterprise requirements exceeds total net borrowing because the former includes claims on associated enterprises.

Source: Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002, and *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

themselves remained stable relative to GNP. Net new purchases of bonds by persons and private sector insurance and pension funds declined relative to GNP, reflecting an altered competitiveness among financial instruments, in an environment in which provincial bond yields rose in 1981 to a record average of 16.0 per cent compared to 13.0 per cent in 1980.

Canada and Quebec Pension Plans

The Canada and Quebec Pension Plans (C/QPP) surplus totalled $3,213 million in 1981. However, the rate of growth of the surplus slowed to 7.0 per cent from 11.5 per cent in 1980. As Table 8.11 shows, between 1980 and 1981 the rate of growth of total revenues slowed by 1.9 percent-

Table 8.11
Canada and Quebec Pension Plans
Revenue, Expenditure and Net Position
(National accounts basis)

	1980		1981	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Revenue				
Contributions				
CPP	2,604	12.3	3,008	15.5
QPP	937	21.8	963	2.8
Investment income				
CPP	1,475	18.9	1,797	21.8
QPP	653	21.2	731	11.9
Total revenue	5,669	16.5	6,499	14.6
Expenditure				
Goods and services				
CPP	58	16.0	89	53.4
QPP	29	20.8	31	6.9
Benefits to residents				
CPP	1,903	24.0	2,322	22.0
QPP	664	19.9	828	24.7
Benefits to non-residents	13	18.2	16	23.1
Total expenditure	2,667	22.7	3,286	23.2
Surplus				
CPP	2,105	7.2	2,378	13.0
QPP	897	22.9	835	– 6.9
Total surplus	3,002	11.5	3,213	7.0

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

age points while the rate of growth of total expenditures increased marginally. For the first nine months of the year, provincial borrowing from the surpluses of the CPP amounted to $1,745 million (see Table 8.10).

The growth rate of total revenues declined from 16.5 per cent in 1980 to 14.6 per cent in 1981. While the growth rate of contributions to the CPP increased from 12.3 per cent in 1980 to 15.5 per cent in 1981, for the QPP this growth rate slowed substantially from 21.8 per cent in 1980 to 2.8 per cent in 1981. As a share of total revenues, investment income, a secondary source of revenue for the C/QPP, increased from 37.5 per cent in 1980 to 38.9 per cent in 1981. However, while the investment income of the CPP maintained its rapid rate of growth in 1981, that of the QPP fell from 21.2 per cent in 1980 to 11.9 per cent in 1981. As in previous years, the rate of growth of investment income has been dependent on the increasing stock of interest-bearing assets of the C/QPP and high interest rates.

The C/QPP expenditures, which include benefits and administrative expenses, continued to grow more rapidly than revenues in 1981. The rate of growth of total expenditures was also marginally higher in 1981 than in 1980. This was primarily due to an increase in the rate of growth of benefits paid to the beneficiaries of the QPP, although there was also a decrease in the rate of growth of benefits paid to the beneficiaries of the CPP. The June-over-June rate of growth of the number of CPP beneficiaries decreased from 12.0 per cent in 1980 to 8.1 per cent in 1981. For the same two years, the rates of growth of the number of beneficiaries receiving retirement pensions were 14.5 per cent and 8.0 per cent respectively. In addition, of those receiving retirement pensions there has been a growing number of people who have contributed for at least 10 years and who are therefore eligible for maximum benefits. Benefits are fully indexed with the indexation factor for 1981 being 9.8 per cent.

Total Government Sector

Tables 8.12 to 8.14 provide data on revenue, expenditure and the budget balance position for the entire government sector. The deficit decreased $3.8 billion in 1981 after increasing $1.3 billion in 1980. Total revenue growth increased 5.8 percentage points in 1981 to 19.6

Table 8.12
Total Government Revenue, Expenditure and Net Position (National accounts basis)

	Revenue		Expenditure		Surplus or deficit (–)
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)	(millions of dollars)
1973	46,297	16.3	45,045	13.4	1,252
1974	58,756	26.9	55,961	24.2	2,795
1975	64,239	9.3	68,288	22.0	– 4,049
1976	73,496	14.4	76,718	12.3	– 3,222
1977	81,310	10.6	86,315	12.5	– 5,005
1978	89,567	10.2	96,521	11.8	– 6,954
1979	100,795	12.5	105,486	9.3	– 4,691
1980	114,746	13.8	120,729	14.5	– 5,983
1981	137,224	19.6	139,457	15.5	– 2,233

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Table 8.13
Total Government Revenues
(National accounts basis)

	1980		1981	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Direct taxes—persons	42,366	14.9	51,326	21.1
Direct taxes—corporations	11,608	15.8	12,037	3.7
Indirect taxes	36,134	11.1	46,084	27.5
Investment income	16,685	15.8	18,712	12.1
Other revenue	7,953	11.7	9,065	14.0
Total revenue	114,746	13.8	137,224	19.6

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Table 8.14
Total Government Expenditures
(National accounts basis)

	1980		1981	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Final demand expenditure				
Current goods and services				
Wages and salaries	40,954	12.9	46,647	13.9
Other	16,959	7.8	19,545	15.2
Total	57,913	11.4	66,192	14.3
Gross capital formation	8,084	8.4	8,931	10.5
Total	65,997	11.0	75,123	13.8
Transfers to persons	30,308	15.1	34,090	12.5
Subsidies and capital assistance	7,888	46.8	8,861	12.3
Transfers to non-residents	817	6.5	873	6.8
Interest on public debt	15,719	15.8	20,510	30.5
Total expenditures	120,729	14.5	139,457	15.5

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13001.

per cent. This high growth rate occurred because of large increases in indirect taxes and because of increased economic activity which was accompanied by large increases in personal income tax revenues. These increases were offset to some extent by a marked decline in the rate of growth of corporate tax revenues coupled with a smaller decline in the rate of growth of investment income. Even with an increase of 1.0 percentage point to a 15.5-per-cent rate, growth of total expenditures by all governments fell below the rate of growth of revenues by 4.1 percentage points. While the growth rate of subsidies and capital assistance fell, that of interest payments on the public debt doubled. Subsidies and capital assistance increased 12.3 per cent in 1981 compared to 46.8 per cent in 1980. The growth of interest payments on the public debt increased from 15.8 per cent in 1980 to 30.5 per cent in 1981, mainly as a result of increased interest rates and despite a substantial reduction in the deficit. The rise in the rate of growth of current wages and other expenditures of 2.9 percentage points, combined with a rise in gross capital formation growth of 2.1 percentage points, left the rate of growth of total final demand expenditures in 1981 at 13.8 per cent, 2.8 percentage points higher than in the previous year.

Budget Balances

The federal budget deficit decreased $3.2 billion to $7.5 billion, or 2.3 per cent of GNP, in 1981 after increasing $1.5 billion to 3.7 per cent of GNP in 1980. The deficit of the total government sector declined $3.8 billion to $2.2 billion, or 0.7 per cent of GNP, in 1981 after increasing $1.3 billion to 2.1 per cent of GNP in 1980. The budget balances are sensitive to the level of economic activity. Thus they will reflect automatic changes in revenues and expenditures when the level of economic activity rises or falls. An

Table 8.15
Actual and Cyclically-Adjusted Budget Balances
Federal and Consolidated Government Sectors
(National accounts basis)

	Actual balances (surplus or deficit (–))		Cyclically-adjusted balances (surplus or deficit (–))	
	Federal government	All governments	Federal government	All governments
	(millions of dollars)			
1977	– 7,303	– 5,005	– 6,084	– 3,455
1978	– 10,654	– 6,954	– 9,060	– 4,955
1979	– 9,213	– 4,691	– 7,942	– 2,887
1980	– 10,697	– 5,983	– 7,101	– 575
1981	– 7,504	– 2,233	– 3,191	4,162
	(as a percentage of GNP)[1]			
1977	– 3.5	– 2.4	– 2.9	– 1.6
1978	– 4.6	– 3.0	– 3.9	– 2.1
1979	– 3.5	– 1.8	– 3.0	– 1.1
1980	– 3.7	– 2.1	– 2.3	– 0.2
1981	– 2.3	– 0.7	– 0.9	1.2

[1] Actual balances are taken as a percentage of GNP, while cyclically-adjusted balances are taken as a percentage of cyclically-adjusted GNP.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001, and Department of Finance.

approximate calculation can be made of the budget balance which would prevail with the existing tax and expenditure structures had the economy been operating at an average level of activity. This is the cyclically-adjusted budget balance, and a comparison of it with the actual balance yields an estimate of the proportion of the deficit that is due to the automatic response of revenue and expenditure systems. For the estimates presented here, average levels of economic activity are represented by a level of current dollar GNP produced by applying the actual level of prices to an assumed level of real GNP based on the economy's longer-run trend growth path which reflects, among other things, changing trends in labour force growth.

On the basis of an assumed trend growth rate for real GNP of 3.1 per cent in 1981, the cyclically-adjusted federal deficit is estimated to have declined from 2.3 per cent of GNP in 1980 to 0.9 per cent of GNP in 1981. On a cyclically-adjusted basis, the balance of the total government sector also swung significantly from a deficit of $575 million in 1980 to a surplus of $4.2 billion in 1981. This is the third year in a row in which the cyclically-adjusted budget deficits of both the federal and total government have declined. The shift to a less expansionary fiscal stance was particularly strong in 1981.

Calculations of cyclically-adjusted budget balances depend on the assumptions made about the average level of economic activity, which in turn depend on the assumptions made about unemployment rates and the rate of growth of labour productivity. The 1981 cyclically-adjusted balances depend on an assumed cyclically-adjusted unemployment rate of 6.3 per cent and an average rate of growth of labour productivity of 0.5 per cent. The uncertainties associated with measuring these variables and the average level of economic activity which is dependent on them warrant the caution that the cyclically-adjusted budget balances should only be used as a rough indicator of a shift in the underlying fiscal stance between adjacent years.

9. International Comparisons

It is useful to place Canadian developments in an international perspective. After having entered a recession the year earlier, many of the Organization for Economic Cooperation and Development (OECD) countries remained weak in 1981. While there were considerable variations, in most countries output continued to decline or stagnate. In comparison, real GNP advanced at moderate rates in Canada, Japan and the United States. The continued weakness in demand in many of the OECD countries was accompanied by further increases in unemployment. Together with the stabilization in energy prices and the fall in commodity prices, this contributed to a general downswing in inflationary pressures. In Canada the rate of inflation increased in 1981, probably temporarily, partly as a result of a need to absorb large domestic energy price increases. The concerted efforts in a number of countries towards further tightening of monetary policies, in response to inflationary pressures and/or in order to support the exchange rate at a time of high interest rates in the U.S., led to record interest rate levels in both real and nominal terms in 1981. However, differences in degree of monetary tightness and in economic conditions resulted in some realignment of exchange rates. Restrictive fiscal action led to a decline in budget deficits as percentages of GNP in several countries.

Real Output Growth

Real output rose 3.0 per cent in Canada in 1981 after remaining stagnant in 1980. This compares with increases averaging 1.2 per cent in the seven major OECD economies and 1.3 per cent for the OECD as a whole (Table 9.1). Few countries showed larger increases, and even fewer a sharper turnaround, than did Canada. The profile of output varied considerably among countries nonetheless. Real output fell in Germany and the U.K. and stagnated in France and Italy. A 3.8-per-cent increase was posted in Japan but this represented a modest slowing relative to 1980. Except for the U.S. and Canada, where output began to decline, a pick-up in momentum was noted in most of the OECD in the latter part of 1981. For European economies generally, the recession continued until the first part of 1981 when a swing in export volumes, particularly to Organization of Petroleum Exporting Countries (OPEC), and the resulting improvement in foreign balances, offset the weakness of domestic demands. In a number of countries, a reduction in interest rates and a relaxation of policy resulted in some strengthening in domestic demands in the second half of the year. The North American economies followed a different profile. In the U.S. a downturn in early 1980 was followed by an upturn in the second half of the year which carried over into the opening quarter of 1981 but then dissipated. In the second and third quarters, movements in output were modest and offsetting. This was followed by a sharp downturn in the closing quarter. In Canada real growth was strong in the first two quarters of 1981, followed by weakness in the last two quarters.

Labour Markets

Labour market conditions deteriorated in most of the OECD countries in 1981 with total OECD unemployment rising from 21.4 million to over 25.0 million and unemployment rates reaching record levels in a number of countries. Among the seven major countries, only in Canada was there a significant employment gain; the 0.1-percentage-point increase in Canada's unemployment rate to 7.6 per cent was also the smallest increase in the major economies. In the U.S. the standardized unemployment rate rose 0.4 of a point to reach 7.4 per cent. Europe, particularly Germany and the U.K., posted the largest increases in unemployment. The significant rise in the proportion of unemployed in Europe who had been out of work for six months or more also attests to the particularly serious deterioration in labour market conditions. The unemployment problem remained acute in most countries throughout the year. The weakness mirrored the generally weak profile of output in the early quarters. Even as output turned upward during the course of the year, the cyclical recovery of labour productivity blunted the upturn in employment. In

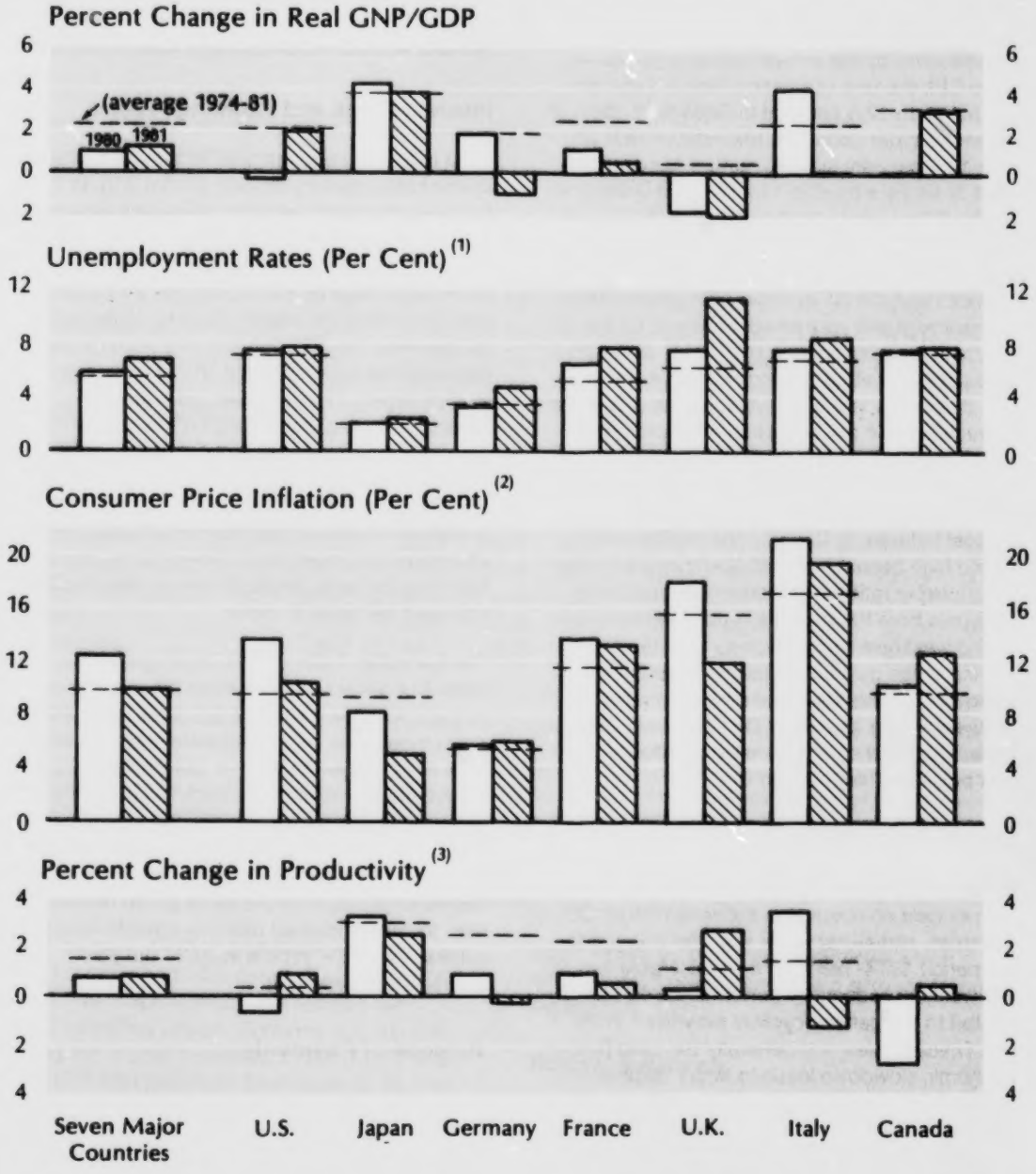
Table 9.1
Evolution of Selected OECD Economic Indicators 1974-81

	Average 1974-81	1974	1975	1976	1977	1978	1979	1980	1981
					(per cent)				
Growth of real GNP/GDP									
United States	2.4	– 0.6	– 1.1	5.4	5.5	4.8	3.2	– 0.2	2.0
Japan	3.8	– 1.0	2.3	5.3	5.3	5.0	5.5	4.2	3.8
Germany	1.9	0.5	– 1.8	5.2	3.0	3.2	4.4	1.8	– 1.0
France	2.6	3.2	0.2	5.2	3.1	3.7	3.5	1.2	0.5
United Kingdom	0.5	– 1.0	– 0.6	3.6	1.3	3.3	1.4	– 1.8	– 2.0
Italy	2.5	4.1	– 3.6	5.9	1.9	2.7	4.9	4.0	0.0
Canada	2.8	3.6	1.2	5.5	2.1	3.7	3.0	0.0	3.0
Seven major countries	2.4	0.3	– 0.5	5.2	4.1	4.0	3.5	1.0	1.2
Total OECD	2.4	0.9	– 0.4	4.9	3.7	3.8	3.4	1.2	1.3
Unemployment rates[1]									
United States	7.0	5.4	8.3	7.5	6.9	5.9	5.7	7.0	7.4
Japan	2.0	1.4	1.9	2.0	2.0	2.2	2.1	2.0	2.2
Germany	3.4	1.6	3.7	3.7	3.7	3.5	3.2	3.1	4.3
France	5.1	2.8	4.1	4.4	4.7	5.2	5.9	6.3	7.6
United Kingdom	6.1	2.9	3.9	5.5	6.2	6.1	5.7	7.4	11.2
Italy	6.9	5.3	5.8	6.6	7.0	7.1	7.5	7.4	8.3
Canada	7.3	5.3	6.9	7.1	8.1	8.4	7.5	7.5	7.6
Seven major countries	5.3	3.7	5.4	5.4	5.4	5.1	4.9	5.6	6.4
Consumer price inflation[2]									
United States	9.4	11.0	9.1	5.7	6.5	7.6	11.3	13.5	10.3
Japan	9.3	24.5	11.8	9.3	8.1	3.8	3.6	8.0	4.9
Germany	5.2	7.0	6.0	4.5	3.7	2.7	4.1	5.5	5.9
France	11.4	13.7	11.8	9.6	9.4	9.1	10.8	13.6	13.4
United Kingdom	15.5	16.0	24.2	16.5	15.8	8.3	13.4	18.0	11.9
Italy	17.1	19.1	17.0	16.8	18.4	12.1	14.8	21.2	19.5
Canada	9.7	10.9	10.8	7.5	8.0	8.9	9.1	10.2	12.5
Seven major countries	9.9	13.3	11.0	8.0	8.1	7.0	9.3	12.2	10.1
Productivity growth[3]									
United States	0.3	– 2.6	0.0	1.9	1.7	0.4	0.3	– 0.6	0.9
Japan	3.0	– 0.8	2.7	4.4	3.9	3.8	4.2	3.2	3.0
Germany	2.5	2.4	1.8	6.3	3.0	2.8	3.1	0.9	0.0
France	2.3	2.4	1.3	4.5	2.2	3.3	3.4	2.3	1.5
United Kingdom	1.2	– 1.6	– 0.2	4.6	0.7	3.0	0.5	– 0.8	2.8
Italy	1.3	1.9	– 4.2	5.1	0.8	2.2	3.6	2.0	– 0.5
Canada	– 0.3	– 0.5	– 0.5	3.4	0.3	0.3	– 0.9	– 2.7	0.4
Seven major countries	1.3	– 0.7	0.5	3.6	2.1	1.9	1.8	0.6	1.2

[1] As standardized by the OECD for comparability.
[2] As represented by annual increases in the consumer price index.
[3] Defined as output per person employed. Averages are calculated using real GNP/GDP weights used by the OECD.
Source: OECD, *Economic Outlook*, December 1981, updated in some cases with more recent information; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *The Labour Force*, monthly, cat. 71-001; and *Consumer Prices and Price Indexes*, quarterly, cat. 62-010.

Chart 9.1

International Comparison of Real Growth, Unemployment, Inflation and Productiity in 1980 and 1981



(1) As standardized by the OECD for comparability. Data for Germany, France and the U.K. are affected but not for the U.S., Japan, Italy or Canada.
(2) As represented by annual increases in the consumer price index.
(3) Defined as output per person employed.

Sources: OECD, *Economic Outlook*, December 1981l, updated in some cases with more recent information; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; and *The Labour Force*, monthly, cat. 71-001; and *Consumer Prices and Price Indexes*,lk quarterly, cat. 62-010.

North America, the downturn in the economies in the second half of the year was accompanied by sharp declines in employment and increases in unemployment.

Inflation

As measured by the annual percentage change in the CPI, the rate of inflation rose 2.3 percentage points to 12.5 per cent in Canada in 1981. In the seven major countries, the inflation rate fell from 12.2 per cent in 1980 to 10.1 per cent in 1981. It fell by a third to 11.9 per cent in the U.K. and by 3.2 points to 10.3 per cent in the U.S. In most OECD countries, cost pressures peaked early in 1981, coinciding with the stabilization of oil prices and the fall in commodity prices. The improvement was restrained, however, by the effects of the appreciation of the U.S. dollar on prices of materials and goods denominated in U.S. dollars. By late in the year, as the U.S. dollar depreciated and the bulge in energy prices had been absorbed, significant drops in inflation rates began to appear. In the U.S. this was enhanced by the effects of reduced interest rates on housing cost indexes. In Canada, the inflation rate stayed high because of deeply entrenched inflationary expectations, the transmission of cost pressures from the recent run-up in inflation, continuing weakness in productivity growth, large nominal wage gains, the need to absorb large energy price increases, and also because of a relatively strong economy. Beginning with the second half of the year there was evidence that cost pressures had peaked.

Labour Productivity

In 1981, labour productivity increased at a rate of 1.2 per cent on average in the seven major OECD countries, somewhat lower than the average for the period 1974-1981. To a considerable extent, this weaker productivity performance can be related to the general cyclical slowdown in the OECD economies. It is generally the case that an economic slowdown leads to larger declines in output than in employment, consequently slowing productivity growth. In 1981, productivity slowed considerably in some countries, while in others there were substantial improvements. The largest turn-around was recorded in Canada, where productivity increased 0.4 per cent compared with a decline of 2.7 per cent in 1980. This improvement in the Canadian performance was aided by a cyclical upswing in economic activity. Productivity growth in the U.S. and the U.K. also picked up strongly in 1981. Canada's productivity growth in 1981 ranked ahead of Germany and Italy, which experienced productivity declines, but was less than in other major OECD countries.

Interest Rates and Exchange Rates

Most industrialized countries faced considerable interest rate volatility in 1981 (Table 9.2). In Canada, short-term interest rates were influenced by developments in U.S. rates and by the higher rate of domestic inflation relative to the U.S. Short-term rates broke through the 20-per-cent mark in August but edged down to 15 per cent by year-end. In 1981, interest rate records were also established in all major OECD countries except Japan. The increases generally varied among countries, depending on the position of current accounts, the severity of the deterioration of capital accounts, each country's relative inflation situation and exchange rate support efforts. In Europe — France and Italy in particular — interest rates rose sharply during spring months following the large depreciations of their currencies vis-à-vis the U.S. dollar.

The Canadian dollar depreciated against the U.S. dollar but gained vis-à-vis most other major currencies. As shown in Table 9.2, the Canadian dollar index rose, indicating a small appreciation from 91.4 in 1980 to 91.6 in 1981 on an inflation-adjusted basis against the trade-weighted basket of 15 major currencies. Among the seven major OECD countries, the deutschemark, the French franc and the Italian lira showed the greatest depreciations against the same group of currencies. In Japan, interest rate movements remained subdued in 1981, yet the value of the yen appreciated somewhat.

Balance of Payments

In Canada, the current account deficit increased nearly U.S. $4 billion to reach U.S. $5.5 billion in 1981, or from 1.1 per cent to 2.5 per cent of GNP (Table 9.3). All other major OECD countries posted improved current account balances. For the OECD as a whole, the deficit declined from

Table 9.2
Evolution of Interest Rates and Exchange Rates for the Large OECD Countries

	1977	1978	1979	1980	1981	1981 Mar.	1981 June	1981 Sept.	1981 Dec.
Representative short-term money market interest rates[1]				(per cent)					
United States	5.75	8.26	11.25	13.16	15.67	14.25	17.07	16.80	12.78
Japan	6.23	4.50	6.05	10.76	7.30	7.34	7.20	7.14	6.30
Germany	4.27	3.69	6.87	9.53	12.23	13.30	12.90	12.15	10.50
France	9.13	8.01	9.72	12.19	15.58	12.75	18.25	18.62	15.25
United Kingdom	7.94	9.36	13.84	16.55	13.98	12.50	12.56	16.81	15.69
Italy	14.20	11.50	12.25	17.48	19.88	19.75	20.50	20.50	21.00
Canada	7.68	9.01	12.04	13.22	18.25	17.05	19.35	19.75	15.25
Indexes of real effective exchange rates[1]				(March 1973 = 100)					
United States	100.9	96.3	96.4	98.0	108.8	104.8	111.7	110.8	108.2
Japan	93.3	106.9	95.7	93.5	94.5	98.0	94.0	91.6	93.4
Germany	102.8	103.3	104.2	101.2	97.0	97.2	95.1	96.5	98.4
France	96.7	97.3	99.3	101.1	99.4	98.7	97.8	100.8	97.7
United Kingdom	101.7	106.2	118.6	138.1	140.1	147.1	142.5	131.1	135.1
Italy	92.1	90.8	90.6	93.0	90.4	92.4	91.1	92.0	90.6
Canada	99.2	92.1	92.2	91.4	91.6	90.3	91.3	92.9	95.2

Note: According to the source: "The index of the effective exchange rate for a currency is a measure of that currency's trade-weighted average appreciation or depreciation vis-à-vis the currencies of 15 other major countries. The exchange rates used in the construction of this index are the averages of daily noon spot exchange rates in New York. . . The trade weights used are based on 1976 bilateral trade in manufactures. The index of the real effective exchange rate is the index of the effective exchange rate adjusted for inflation differentials which are measured by wholesale (or producer) prices of non-food manufactures. Exchange rates and trade weights used in the construction of this index are the same as those used for effective exchange rate indices."

[1] Annual figures and averages of months.

Source: Morgan Guaranty Trust Company of New York, *World Financial Markets*, February 1981.

$72.7 billion in 1980 to $36.6 billion in 1981, or from 1.0 per cent to 0.5 per cent of GNP/GDP. Most of this improvement was realized with OPEC countries. Japan, Germany and the U.K. posted the largest increases. In the U.S., the widening of the surplus from $3.7 billion to $6.6 billion followed mainly from terms-of-trade gains and increased interest income on investments abroad. This more than offset an erosion of competitiveness associated with the appreciation of the U.S. dollar. In most countries, the improvements in current account positions were offset to some extent by brisk capital outflows which accompanied rising interest rate spreads favouring the U.S.

Budget Balances

In 1979, the last year for which data are available for all the major OECD countries, the Canadian federal (central) government deficit as a percentage of GNP was smaller than those of Italy and Japan but larger than those of France, Germany, the U.K. and the U.S. (Table 9.4). On the other

Table 9.3
Current Account Balances of OECD Countries

	1974	1975	1976	1977	1978	1979	1980	1981
				(billions of U.S. dollars)				
United States	4.9	18.3	4.4	– 14.1	– 14.1	1.4	3.7	6.6
Japan	– 4.7	– 0.7	3.7	10.9	16.5	– 8.8	– 10.7	4.7
Germany	10.3	4.0	3.9	4.1	9.2	– 5.3	– 16.4	– 7.2
France	– 6.2	– 0.2	– 5.7	– 3.1	3.3	1.2	– 7.4	– 6.5
United Kingdom	– 7.7	– 3.4	– 1.6	– 0.1	1.8	– 1.8	7.5	14.3
Italy	– 8.0	– 0.8	– 2.8	2.5	6.2	5.5	– 9.6	– 9.5
Canada	– 1.5	– 4.7	– 3.9	– 4.0	– 4.3	– 4.2	– 1.6	– 5.5
Seven major countries	– 12.9	12.5	– 1.7	– 3.8	18.6	– 12.0	– 34.6	– 5.1
Total OECD	– 25.1	2.4	17.3	24.8	9.8	– 30.7	– 72.7	– 36.6
				(per cent of GNP/GDP)				
United States	0.3	1.2	0.3	– 0.7	– 0.7	0.1	0.1	0.3
Japan	– 1.0	– 0.1	0.7	1.6	1.7	– 0.9	– 1.0	0.4
Germany	2.6	0.8	0.8	0.8	1.4	– 0.7	– 2.0	– 1.3
France	– 2.3	0.0	– 1.7	– 0.9	0.8	0.2	– 1.1	– 1.3
United Kingdom	– 4.1	– 1.6	– 1.0	– 0.2	0.6	– 0.8	1.4	2.9
Italy	– 4.7	– 0.4	– 1.5	1.1	2.4	1.7	– 2.4	– 2.7
Canada	– 1.4	– 3.1	– 2.3	– 2.3	– 2.2	– 2.1	– 1.1	– 2.5
Seven major countries	– 0.4	0.4	– 0.1	– 0.1	0.4	– 0.2	– 0.5	– 0.2
Total OECD	– 0.7	0.0	– 0.4	– 0.5	0.2	– 0.5	– 1.0	– 0.5

Source: Economic Outlook, No. 30, December 1981, updated in some cases with more recent information; Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, quarterly, cat. 67-001; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

hand, in 1981, with a decline of 1.4 percentage points from 1980, the Canadian federal government deficit was 2.3 per cent of GNP, whereas with a decline of 0.2 of a percentage point from 1980 the U.S. central government deficit was 2.1 per cent of GNP.

Comparisons of budget balances of the total government sector are more meaningful than budget balances of central governments because of differing divisions of responsibility among levels of governments in different countries. When all levels of government are taken together, as shown in Table 9.5, the Canadian deficit as a percentage of GNP has been smaller than that of the other major OECD countries with the exception of the U.S. and France in recent years. In 1981, the Canadian total government budget deficit was 0.7 per cent of GNP, only marginally lower than in the U.S., but substantially less than the deficits in other major OECD countries.

In previous issues of the *Economic Review* there have been international comparisons of government expenditures. This information may be found in the reference tables.

Table 9.4

An International Comparison of Central Government Budget Balances as Percentages of Gross Domestic Product or Gross National Product

	Average 1967-74	1975	1976	1977	1978	1979	1980	1981
Canada	0.2	– 2.3	– 1.8	– 3.5	– 4.6	– 3.5	– 3.7	– 2.3
France	0.6	– 1.9	– 0.1	– 0.7	– 1.3	– 0.9	—	—
Germany[1]	– 0.2	– 3.0	– 2.3	– 1.5	– 1.6	– 1.5	—	—
Italy[1]	– 3.7	– 7.4	– 4.6	– 4.9	– 11.0	– 9.2	—	—
Japan[1]	– 0.7	– 4.2	– 4.5	– 5.5	– 6.2	– 5.6	—	—
United Kingdom	1.7	– 3.4	– 4.0	– 2.8	– 3.6	– 2.6	—	—
United States	– 0.9	– 4.5	– 3.1	– 2.4	– 1.4	– 0.6	– 2.3	– 2.1

[1] The average is for 1970-74 instead of 1967-74.

Source: OECD, *National Accounts of OECD Countries*, 1979, Volume II; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; Executive Office of the President, Council of Economic Advisers, *Economic Report of the President*, updated in some cases with more recent information.

Table 9.5

An International Comparison of Total Government[1] Budget Balances as Percentages of Gross Domestic Product or Gross National Product

	Average 1967-74	1975	1976	1977	1978	1979	1980	1981[2]
Canada	0.9	– 2.5	– 1.7	– 2.4	– 3.0	– 1.8	– 2.1	– 0.7
France	0.5	– 2.2	– 0.5	– 0.8	– 1.0	– 0.6	0.4	– 2.4
Germany	– 0.2	– 5.8	– 3.6	– 2.4	– 2.7	– 2.9	– 3.8	– 4.4
Italy	– 6.3	– 11.7	– 9.0	– 8.0	– 9.7	– 9.4	– 7.8	– 9.4
Japan	0.9	– 2.8	– 3.8	– 3.7	– 5.5	– 4.7	– 4.1	– 3.6
United Kingdom	– 0.9	– 4.9	– 5.0	– 3.4	– 4.3	– 3.2	– 3.5	– 2.3
United States	– 0.5	– 4.1	– 2.1	– 1.0	0.0	0.5	– 1.2	– 0.9

[1] Includes central and local governments and the social security system, but excludes public corporations.

[2] OECD estimates except for Canada and the United States which are actual.

Source: OECD, *National Accounts of OECD Countries*, 1979, Volume II; OECD, *Economic Outlook*, December 1981; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; Executive Office of the President, Council of Economic Advisers, *Economic Report of the President*, updated in some cases with more recent information.

Reference Tables

Note: Data in these tables were the latest available at the time of preparation. Statistics are revised, and users are requested to consult the sources for the most up-to-date figures.

Where available, CANSIM identification numbers (D for Statistics Canada and B for Bank of Canada) have been given at the heads of columns to assist readers who have access to machine-readable data and to provide a more detailed cross reference to publications. Where two numbers are given, the top number represents unadjusted data and the bottom number represents seasonally adjusted data.

Population **Page**

1 Demographic Developments 116
2 Population by Province 117

National Accounts

3 Gross National Expenditure 119
4 Gross National Expenditure in Constant 1971 Dollars 121
5 Structural Changes in Demand (Percentage Distribution of Gross National Expenditure by Components) 123
6 Structural Changes in Demand (Percentage Distribution of Gross National Expenditure in Constant 1971 Dollars by Components) 124
7 Gross Expenditure Per Capita, Canada and by Province 125
8 Gross Provincial Expenditures 127
9 Percentage Distribution of Gross Provincial Expenditures 128
10 National Income and Gross National Product 129
11 Reconciliation of Gross National Product at Market Prices and Gross Domestic Product at Factor Cost 131
12 Structural Changes in Income (Per Cent Distribution of Gross National Product by Components) 133
13 Structural Changes in Income (Per Cent Distribution of Net National Income by Components) 134
14 Indexes of Real Income 135
15 Personal Income and Expenditure 137
16 Personal Income, Canada and by Province 138
17 Personal Income Per Capita, Canada and by Province 140

Components of Expenditures

18 Value of Retail Trade 142
19 Private and Public Investment in Canada 143
20 Private and Public Investment in Canada 145
21 Private and Public Investment by Region 147
22 Private Investment Capital Expenditures Excluding Housing 148
23 Dwelling Starts, Completions and Under Construction 149
24 Dwelling Starts and Completions, by Type 150
25 Manufacturers' Inventories, Shipments and Orders 151

Real Output

26 Gross Domestic Product in Constant (1971) Dollars by Industry 152

Labour Force

27 Main Components of the Labour Market 153
28 Participation and Unemployment Rates by Sex and Age Groups 154
29 Participation Rates, Canada and by Region 155
30 Labour Force, Canada and by Region 156
31 Employment, Canada and by Region 157
32 Estimates of Employees by Industry 158
33 Unemployment, Canada and by Region 159
34 Unemployed Persons by Family Status, Canada 160
35 Family Units with One or More Unemployed Persons by the Number of Employed Persons in the Family Unit, Canada 161
36 Help-Wanted Index, Canada and Regions 162

Productivity and Costs

37 Productivity and Costs: Commercial Non-Agricultural Industries 163
38 Productivity and Costs: Commercial Non-Agricultural Goods-Producing Industries 164
39 Productivity and Costs: Commercial Services-Producing Industries 165
40 Productivity and Costs: Manufacturing Industries 166
41 Average Weekly Wages and Salaries by Industrial Division 167
42 Annual Average Wage Changes Provided by Major Collective Agreements (without COLA) 168

Price Indexes

43 Gross National Expenditure Implicit Price Indexes 169
44 Consumer Price Indexes: Standard Classifications 171
45 Consumer Price Indexes: Reclassified by Goods and Services 172
46 Energy Prices 173
47 Other Prices Indexes 174

Government Revenues, Expenditures and Debt

48 An International Comparison of Total Government and Central Government Total Expenditures as Percentages of Gross Domestic or Gross National Product 175
49 Total Government Revenues 176
50 Total Government Expenditures 177
51 Federal Government Revenues 178
52 Federal Government Expenditures 179
53 Federal Government Expenditure by Envelope 180
54 Federal Government Debt 181
55 Actual and Cyclically Adjusted Budget Balances, Federal and Consolidated Government Sectors 182
56 Provincial Government Revenues 183
57 Provincial Government Expenditures 184
58 Local Government Revenues 185
59 Local Government Expenditures 186
60 Hospital Revenues and Expenditures 187
61 Federal Government Liabilities and Assets: Financial Flow Accounts Basis 188
62 Provincial and Local Governments and Hospitals Liabilities and Assets: Financial Flow Accounts Basis 189
63 Government of Canada Financial Transactions 190
64 Government of Canada Liabilities and Assets, Public Accounts Presentation 194
65 Allocation of Revenues from Own Sources, by Levels of Government 195
66 Intergovernmental Transfers 196
67 Allocations of Revenues After Transfers, by Levels of Government 197
68 Allocation of Expenditures by Levels of Government, Before and After Transfer Payments 198

Balance of Payments

69 Summary of Balance of Payments 200
70 Bilateral Payments Balance with the United States 201
71 Bilateral Payments Balance with the Rest of the World 202
72 International Payments: Current Account 203
73 Merchandise Trade Detail: Exports 205
74 Merchandise Trade Detail: Imports 206
75 International Payments: Capital Movements 207
76 Net Proceeds from New Issues of Canadian Securities to Non-Residents 209
77 Canadian Chartered Banks' Head Office and Branches in Canada: Net Change in Foreign Currency Positions 211

International Reserves and Exchange Rates

78 Canada's Reserve Position with the International Monetary Fund 212
79 Canada's Official International Reserves 213
80 Price of Foreign Currencies in Canada 214
81 Indexes of Exchange Rates 215
82 Money Market and Eurodollar Rates 216

Government Bonds

83 Details of New Issues and Retirements of Government of Canada Direct and Guaranteed Marketable Bonds from January 1, 1981 to December 31, 1981 217
84 Changes in Marketable Securities and Canada Savings Bonds Outstanding 218

Mortgages

85 Mortgage Loans Approvals 219
86 Mortgage Loan Approvals by Private Lending Institutions 220

Financial Flows

87 Monetary Aggregates and Selected Banking System Statistics 221
88 Canadian Marketable Securities, Supply of Securities and Distribution of Holdings 222
89 Credit Expansion by Sector 223
90 Credit Expansion by Instrument 224
91 Chartered Banks 225
92 Other Deposit Accepting Institutions 226
93 Insurance Companies and Pension Funds 227
94 Other Private Financial Institutions 228
95 Non-Financial Corporations 229
96 Selected Interest Rates: Canada-United States 230

Reference Table 1
Demographic Developments
1947 – 1981

Years	Population as of June	Birth rate	Death rate	Natural rate of increase	Immigration rate	Annual growth rate of population	Number of families	Net family formation
	(Thousands of persons)	(Per thousand of population)				(Per cent)	(Thousands)	
1947	12,551	28.9	9.4	19.3	5.0	2.1	n.a.	n.a.
1948	12,823	27.3	9.3	17.8	9.5	2.2	n.a.	n.a.
1949	13,447	27.3	9.3	18.0	7.1	4.9	n.a.	n.a.
1950	13,712	27.1	9.1	18.0	5.4	2.0	n.a.	n.a.
1951	14,009	27.2	9.0	18.2	14.0	2.2	3,282	n.a.
1952	14,459	27.9	8.7	19.2	11.5	3.2	3,360	78
1953	14,845	28.1	8.6	19.5	11.5	2.7	3,423	63
1954	15,287	28.5	8.2	20.3	10.2	3.0	3,537	114
1955	15,698	28.2	8.2	20.0	7.1	2.7	3,625	88
1956	16,081	28.0	8.2	19.8	10.4	2.4	3,705	81
1957	16,610	28.2	8.2	20.0	17.2	3.3	3,796	90
1958	17,080	27.5	8.0	19.6	7.4	2.8	3,898	102
1959	17,483	27.4	8.1	19.4	6.2	2.4	3,982	84
1960	17,870	26.8	7.9	19.1	5.9	2.2	4,081	99
1961	18,238	26.1	7.8	18.5	4.0	2.1	4,140	59
1962	18,583	25.3	7.8	17.5	4.1	1.9	4,189	49
1963	18,931	24.6	7.8	16.8	5.0	1.9	4,258	69
1964	19,291	23.5	7.6	16.1	5.9	1.9	4,341	83
1965	19,644	21.3	7.6	13.7	7.5	1.8	4,432	91
1966	20,015	19.5	7.6	11.9	9.8	1.9	4,518	86
1967	20,378	18.3	7.4	10.9	11.0	1.8	4,608	90
1968	20,701	17.7	7.4	10.3	8.9	1.6	4,696	88
1969	21,001	17.7	7.4	10.3	7.7	1.4	4,807	110
1970	21,297	17.5	7.3	10.2	7.0	1.4	4,908	101
1971	21,568	16.8	7.3	9.5	5.7	1.3	5,060	152
1972	21,802	15.9	7.5	8.4	5.6	1.1	5,168	108
1973	22,043	15.6	7.4	8.2	8.4	1.1	5 299	131
1974	22,364	15.5	7.5	8.0	9.8	1.5	5,443	144
1975	22,697	15.8	7.4	8.4	8.3	1.5	5,587	144
1976	22,993	15.6	7.3	8.3	6.5	1.3	5,715	127
1977	23,258	15.6	7.3	8.3	4.9	1.2	5,810	96
1978	23,476	15.3	7.2	8.1	3.6	1.0	5,896	83
1979	23,681	15.5	7.1	8.4	4.7	0.8	5,969	73
1980	23,936	15.1	7.1	8.0	6.0	1.0	n.a.	n.a.
1981	24,189	15.4	7.0	8.3	5.3	1.1	n.a.	n.a.

Source: Statistics Canada, *Vital Statistics*, annual, cat. 84-201 and monthly, cat. 84-001; Statistics Canada, *Estimates of Families in Canada*, cat. 91-204; and Department of Employment and Immigration.

Reference Table 2
Population by Province[1]
1952 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.
D	15	16	17	18	19	20	21	22	23	24	25 + 26
						(Thousands)					
1952	374	100	653	526	4,174	4,788	798	843	973	1,205	25
1953	383	101	663	533	4,269	4,941	809	861	1,012	1,248	25
1954	395	101	673	540	4,388	5,115	823	873	1,057	1,295	27
1955	406	100	683	547	4,517	5,266	839	878	1,091	1,342	29
1956	415	99	695	555	4,628	5,405	850	881	1,123	1,399	32
1957	424	99	701	562	4,769	5,636	862	880	1,164	1,482	31
1958	432	100	709	571	4,904	5,821	875	891	1,206	1,538	33
1959	441	101	719	582	5,024	5,969	891	907	1,248	1,567	34
1960	448	103	727	589	5,142	6,111	906	915	1,291	1,602	36
1961	458	105	737	598	5,259	6,236	922	925	1,332	1,629	38
1962	468	107	746	605	5,371	6,351	936	930	1,369	1,660	40
1963	476	108	751	609	5,481	6,481	949	933	1,403	1,699	41
1964	483	109	755	611	5,584	6,631	959	942	1,430	1,745	42
1965	488	109	756	615	5,685	6,788	965	950	1,450	1,797	41
1966	493	109	756	617	5,781	6,961	963	955	1,463	1,874	43
1967	499	109	760	620	5,864	7,127	963	957	1,490	1,945	44
1968	506	110	767	625	5,928	7,262	971	960	1,524	2,003	45
1969	514	111	775	628	5,985	7,385	979	958	1,559	2,060	47
1970	517	110	782	627	6,013	7,551	983	941	1,595	2,128	50
1971	522	112	789	635	6,028	7,703	988	926	1,628	2,185	53
1972	530	113	795	640	6,054	7,810	991	914	1,657	2,241	57
1973	537	114	804	647	6,079	7,909	996	905	1,690	2,302	60
1974	541	115	812	654	6,123	8,054	1,008	900	1,722	2,376	60
1975	549	117	820	665	6,179	8,172	1,014	907	1,778	2,433	63
1976	558	118	829	677	6,235	8,265	1,022	921	1,838	2,467	64
1977	564	120	835	687	6,276	8,355	1,029	937	1,896	2,494	64
1978	569	122	841	695	6,273	8,444	1,034	948	1,954	2,530	65
1979	574	123	848	701	6,239	8,504	1,032	960	2,014	2,571	65
1980	580	124	853	708	6,312	8,574	1,030	970	2,081	2,640	64
1981	586	124	857	711	6,340	8,625	1,031	980	2,160	2,711	65
						(Per cent change)					
1952	3.5	1.6	1.6	2.0	2.9	4.1	2.8	1.4	3.6	3.4	−0.4
1953	2.4	1.0	1.5	1.3	2.3	3.2	1.4	2.1	4.0	3.6	0.0
1954	3.1	0.0	1.5	1.3	2.8	3.5	1.7	1.4	4.4	3.8	8.0
1955	2.8	−1.0	1.5	1.3	2.9	3.0	1.9	0.6	3.2	3.6	7.4
1956	2.2	−0.7	1.7	1.4	2.5	2.6	1.3	0.3	2.9	4.2	8.6
1957	2.1	−0.3	0.9	1.3	3.0	4.3	1.4	−0.8	3.6	6.0	−1.6
1958	1.9	1.0	1.1	1.6	2.8	3.3	1.5	1.3	3.6	3.8	6.5
1959	2.1	1.0	1.4	1.9	2.4	2.5	1.8	1.8	3.5	1.9	3.0
1960	1.6	2.0	1.1	1.2	2.3	2.4	1.7	0.9	3.4	2.2	5.9
1961	2.2	1.6	1.4	1.5	2.3	2.0	1.7	1.1	3.2	1.7	4.4
1962	2.2	2.3	1.2	1.2	2.1	1.8	1.6	0.5	2.8	1.9	6.5
1963	1.7	0.9	0.7	0.7	2.0	2.0	1.4	0.3	2.5	2.3	2.5
1964	1.5	0.9	0.5	0.3	1.9	2.3	1.1	1.0	1.9	2.7	2.4
1965	1.0	0.0	0.1	0.7	1.8	2.4	0.6	0.8	1.4	3.0	−2.4
1966	1.1	−0.5	0.0	0.3	1.7	2.5	−0.2	0.6	0.9	4.3	5.1
1967	1.1	0.5	0.5	0.5	1.4	2.4	−0.1	0.2	1.8	3.8	2.1
1968	1.4	0.9	0.9	0.8	1.1	1.9	0.8	0.3	2.3	3.0	2.3
1969	1.6	0.9	1.0	0.5	1.0	1.7	0.8	−0.2	2.3	2.8	4.4
1970	0.6	−0.9	0.9	−0.2	0.5	2.2	0.4	−1.8	2.3	3.3	6.4
1971	1.0	1.5	0.9	1.2	0.2	2.0	0.5	−1.6	2.1	2.7	6.4
1972	1.5	0.9	0.7	0.9	0.4	1.4	0.3	−1.3	1.8	2.6	6.8
1973	1.4	1.2	1.2	1.1	0.4	1.3	0.5	−1.0	1.9	2.7	5.5
1974	0.8	1.1	0.9	1.0	0.7	1.8	1.1	−0.5	1.9	3.2	0.3
1975	1.4	1.6	1.0	1.8	0.9	1.5	0.6	0.9	3.2	2.4	4.0
1976	1.6	0.9	1.1	1.8	0.9	1.1	0.8	1.5	3.4	1.4	3.0
1977	1.1	1.7	0.8	1.4	0.7	1.1	0.7	1.7	3.2	1.1	0.0
1978	0.9	1.6	0.8	1.1	−0.5	1.1	0.4	1.2	3.0	1.5	1.4
1979	0.8	0.7	0.8	0.9	0.3	0.7	−0.1	1.2	3.0	1.6	−0.3
1980	1.1	1.1	0.6	0.9	0.4	0.8	−0.3	1.1	3.4	2.7	−0.9
1981	1.1	−0.8	0.5	0.4	0.4	0.6	0.1	1.0	3.8	2.7	0.9

Reference Table 2 (continued)
Population by Province[1]
1952 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.
	(Percentage distribution of total among provinces)										
1952	2.6	0.7	4.5	3.6	28.9	33.1	5.5	5.8	6.7	8.3	0.2
1953	2.6	0.7	4.5	3.6	28.8	33.3	5.4	5.8	6.8	8.4	0.2
1954	2.6	0.7	4.4	3.5	28.7	33.5	5.4	5.7	6.9	8.5	0.2
1955	2.6	0.6	4.4	3.5	28.8	33.5	5.3	5.6	6.9	8.5	0.2
1956	2.6	0.6	4.3	3.4	28.8	33.6	5.3	5.5	7.0	8.7	0.2
1957	2.6	0.6	4.2	3.4	28.7	33.9	5.2	5.3	7.0	8.9	0.2
1958	2.5	0.6	4.2	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.2
1959	2.5	0.6	4.1	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.2
1960	2.5	0.6	4.1	3.3	28.8	34.2	5.1	5.1	7.2	9.0	0.2
1961	2.5	0.6	4.0	3.3	28.8	34.2	5.1	5.1	7.3	8.9	0.2
1962	2.5	0.6	4.0	3.3	28.9	34.2	5.0	5.0	7.4	8.9	0.2
1963	2.5	0.6	4.0	3.2	29.0	34.2	5.0	4.9	7.4	9.0	0.2
1964	2.5	0.6	3.9	3.2	28.9	34.4	5.0	4.9	7.4	9.0	0.2
1965	2.5	0.6	3.8	3.1	28.9	34.6	4.9	4.8	7.4	9.1	0.2
1966	2.5	0.5	3.8	3.1	28.9	34.8	4.8	4.8	7.3	9.4	0.2
1967	2.4	0.5	3.7	3.0	28.8	35.0	4.7	4.7	7.3	9.5	0.2
1968	2.4	0.5	3.7	3.0	28.6	35.1	4.7	4.6	7.4	9.7	0.2
1969	2.4	0.5	3.7	3.0	28.5	35.2	4.7	4.6	7.4	9.8	0.2
1970	2.4	0.5	3.7	2.9	28.2	35.5	4.6	4.4	7.5	10.0	0.2
1971	2.4	0.5	3.7	2.9	27.9	35.7	4.6	4.3	7.5	10.1	0.2
1972	2.4	0.5	3.6	2.9	27.8	35.8	4.5	4.2	7.6	10.3	0.3
1973	2.4	0.5	3.6	2.9	27.6	35.9	4.5	4.1	7.7	10.4	0.3
1974	2.4	0.5	3.6	2.9	27.4	36.0	4.5	4.0	7.7	10.6	0.3
1975	2.4	0.5	3.6	2.9	27.2	36.0	4.5	4.0	7.8	10.7	0.3
1976	2.4	0.5	3.6	2.9	27.1	35.9	4.4	4.0	8.0	10.7	0.3
1977	2.4	0.5	3.6	3.0	27.0	35.9	4.4	4.0	8.2	10.7	0.3
1978	2.4	0.5	3.6	3.0	26.7	36.0	4.4	4.0	8.3	10.8	0.3
1979	2.4	0.5	3.6	3.0	26.6	35.9	4.4	4.1	8.5	10.9	0.3
1980	2.4	0.5	3.6	3.0	26.4	35.8	4.3	4.1	8.7	11.0	0.3
1981	2.4	0.5	3.5	3.0	26.2	35.7	4.3	4.1	8.9	11.2	0.3

[1]Population as of June.

Source: Statistics Canada, *Annual Estimates of Population for Canada and Provinces at June 1st*, annual, cat. 91-201.

Reference Table 3
Gross National Expenditure
1947 – 1981

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure at market prices
			Total	Government	Business	Housing					
D	40014 40254	40015 40255	40016 40256	40017 40257		40022 40262	40025 40265	40029 40269	40030 40270	40031 40271	40548 40551
					(Millions of dollars)						
1947	9,362	1,343	2,350	304	1,591	455	343	3,661	−3,601	15	13,473
1948	10,370	1,454	3,057	424	1,974	659	97	4,055	−3,630	106	15,509
1949	11,365	1,722	3,439	456	2,188	795	78	4,004	−3,853	45	16,800
1950	12,482	1,928	3,862	521	2,388	953	549	4,158	−4,492	4	18,491
1951	13,857	2,811	4,424	640	2,950	834	871	5,052	−5,580	205	21,640
1952	15,162	3,620	5,096	779	3,371	946	499	5,568	−5,369	12	24,588
1953	16,181	3,824	5,733	782	3,699	1,252	600	5,380	−5,806	−79	25,833
1954	16,934	3,825	5,714	873	3,429	1,412	−202	5,137	−5,543	53	25,918
1955	18,388	4,036	6,422	948	3,689	1,785	285	5,749	−6,390	38	28,528
1956	20,090	4,426	8,000	1,144	5,031	1,825	985	6,350	−7,664	−129	32,058
1957	21,492	4,573	8,689	1,327	5,693	1,669	170	6,379	−7,767	−23	33,513
1958	22,845	4,854	8,535	1,397	5,049	2,089	−296	6,329	−7,321	−169	34,777
1959	24,390	4,976	8,647	1,508	5,006	2,133	414	6,674	−8,028	−227	36,846
1960	25,479	5,281	8,473	1,560	5,119	1,794	409	7,004	−8,092	−195	38,359
1961	25,930	6,206	8,392	1,674	4,929	1,789	116	7,624	−8,480	−142	39,646
1962	27,452	6,608	8,885	1,903	5,128	1,854	667	8,234	−9,045	126	42,927
1963	29,225	6,982	9,556	1,985	5,612	1,959	669	9,068	−9,561	39	45,978
1964	31,389	7,593	11,205	2,023	6,800	2,382	553	10,503	−10,913	−50	50,280
1965	33,947	8,358	13,179	2,440	8,105	2,634	1,244	11,182	−12,341	−205	55,364
1966	36,890	9,748	15,361	2,841	9,915	2,605	1,225	13,045	−14,259	−182	61,828
1967	39,972	11,153	15,628	2,954	9,865	2,809	260	14,663	−15,234	−33	66,409
1968	43,704	12,684	15,754	2,983	9,518	3,253	745	16,719	−17,010	−10	72,586
1969	47,492	14,241	17,232	3,055	10,332	3,845	1,467	18,761	−19,821	443	79,815
1970	50,327	16,630	18,015	3,173	11,342	3,500	105	21,167	−20,214	−345	85,685
1971	55,616	18,368	20,800	3,754	12,230	4,816	392	22,181	−22,016	−891	94,450
1972	62,208	20,291	23,051	3,968	13,263	5,820	544	24,580	−25,250	−190	105,234
1973	71,278	23,037	27,848	4,305	16,156	7,387	1,588	30,718	−30,954	45	123,560
1974	83,388	27,816	34,260	5,462	20,022	8,776	3,451	38,992	−41,009	630	147,528
1975	96,995	33,380	40,044	6,323	24,489	9,232	−239	40,452	−45,589	300	165,343
1976	110,886	38,325	44,895	6,318	26,256	12,321	1,563	45,601	−49,973	−266	191,031
1977	122,530	43,374	48,193	6,790	28,597	12,806	374	52,548	−57,262	−889	208,868
1978	135,271	47,676	52,290	7,140	31,598	13,552	361	62,985	−67,970	−260	230,353
1979	150,617	51,979	60,595	7,397	39,113	14,085	4,165	77,087	−82,671	189	261,961
1980	168,146	57,913	68,525	8,015	46,667	13,843	−1,192	90,258	−93,443	−348	289,859
1981	190,025	66,192	80,369	9,129	55,147	16,093	1,367	98,999	−107,177	−1,274	328,501

Reference Table 3 (continued)
Gross National Expenditure
1947 – 1981

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross national expenditure at market prices
			Total	Govern-ment	Business	Housing			
					(Per cent change)				
1947	16.8	– 18.9	39.7	28.3	54.6	9.4	11.6	25.9	13.4
1948	10.8	8.3	30.1	39.5	24.1	44.8	10.8	0.8	15.1
1949	9.6	18.4	12.5	7.5	10.8	20.6	– 1.3	6.1	8.3
1950	9.8	12.0	12.3	14.3	9.1	19.9	3.8	16.6	10.1
1951	11.0	45.8	14.6	22.8	23.5	– 12.5	21.5	24.2	17.0
1952	9.4	28.8	15.2	21.7	14.3	13.4	10.2	– 3.8	13.6
1953	6.7	5.6	12.5	0.4	9.7	32.3	– 3.4	8.1	5.1
1954	4.7	0.0	– 0.3	11.6	– 7.3	12.8	– 4.5	– 4.5	0.3
1955	8.6	5.5	12.4	8.6	7.6	26.4	11.9	15.3	10.1
1956	9.3	9.7	24.6	20.7	36.4	2.2	10.5	19.9	12.4
1957	7.0	3.3	8.6	16.0	13.2	– 8.5	0.5	1.3	4.5
1958	6.3	6.1	– 1.8	5.3	– 11.3	25.2	– 0.8	5.7	3.8
1959	6.8	2.5	1.3	7.9	– 0.9	2.1	5.5	9.7	5.9
1960	4.5	6.1	– 2.0	3.4	2.3	– 15.9	4.9	0.8	4.1
1961	1.8	17.5	– 1.0	7.3	– 3.7	– 0.3	8.9	4.8	3.4
1962	5.9	6.5	5.9	13.7	4.0	3.6	8.0	6.7	8.3
1963	6.5	5.7	7.6	4.3	9.4	5.7	10.1	– 5.7	7.1
1964	7.4	8.8	17.3	1.9	21.2	21.6	15.8	14.1	9.4
1965	8.1	10.1	17.6	20.6	19.2	10.6	6.5	13.1	10.1
1966	8.7	16.6	16.6	16.4	22.3	– 1.1	16.7	15.5	11.7
1967	8.4	14.4	1.7	4.0	– 0.5	7.8	12.4	6.8	7.4
1968	9.3	13.7	0.8	1.0	– 3.5	15.8	14.0	11.7	9.3
1969	8.7	12.3	9.4	2.4	8.6	18.2	12.2	16.5	10.0
1970	6.0	16.8	4.5	3.9	9.8	– 9.0	12.8	2.0	7.4
1971	10.5	10.5	15.5	18.3	7.8	37.6	4.8	8.9	10.2
1972	11.9	10.5	10.8	5.7	8.4	20.8	10.8	14.7	11.4
1973	14.6	13.5	20.8	8.5	21.8	26.9	25.0	22.6	17.4
1974	17.0	20.7	23.0	26.9	23.9	18.8	26.9	32.5	19.4
1975	16.3	20.0	16.9	15.8	22.3	5.2	3.7	11.2	12.1
1976	14.3	14.8	12.1	– 0.1	7.2	33.5	12.7	9.6	15.5
1977	10.5	13.2	7.3	7.5	8.9	3.9	15.2	14.6	9.3
1978	10.4	9.9	8.5	5.2	10.5	5.8	19.9	18.7	10.3
1979	11.3	9.0	15.9	3.6	23.8	3.9	22.4	21.6	13.7
1980	11.6	11.4	13.1	8.4	19.3	– 1.7	17.1	13.0	10.6
1981	13.0	14.3	17.3	13.9	18.2	16.3	9.7	14.7	13.3

Source: Statistics Canada, *National Income and Expenditure Accounts*, annual, cat. 13-531, and quarterly, cat. 13-001.

Reference Table 4
Gross National Expenditure in Constant 1971 Dollars
1947 – 1981

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure in constant 1971 dollars
			Total	Government	Business	Housing					
D	40562 40594	40568 40600	40569 40601	40570 40602		40576 40608	40581 40613	40586 40618	40588 40620	40540 40622	40561 40593
					(Millions of dollars)						
1947	18,546	4,747	5,316	627	3,604	1,085	672	6,170	−6,411	39	29,496
1948	18,099	4,504	6,103	779	3,982	1,342	109	6,375	−5,781	211	30,231
1949	19,138	4,982	6,553	806	4,195	1,552	215	5,997	−5,939	83	31,388
1950	20,394	5,367	7,042	884	4,385	1,773	789	5,956	−6,469	10	33,762
1951	20,546	7,000	7,068	915	4,807	1,346	1,025	6,513	−7,277	333	35,450
1952	21,984	8,624	7,892	1,090	5,303	1,499	481	7,260	−7,527	20	38,617
1953	23,512	8,890	8,861	1,162	5,732	1,967	752	7,185	−8,151	−124	40,605
1954	24,375	8,549	8,858	1,296	5,325	2,237	−238	6,917	−7,761	86	40,106
1955	26,456	8,736	9,678	1,308	5,594	2,776	410	7,442	−8,799	61	43,891
1956	28,440	8,956	11,446	1,425	7,227	2,794	1,144	8,002	−10,215	−187	47,599
1957	29,504	8,807	12,262	1,751	8,026	2,485	249	8,075	−10,096	−31	48,718
1958	30,562	9,074	12,126	1,942	7,064	3,120	−280	8,047	−9,386	−239	49,844
1959	32,264	8,999	12,191	2,090	6,911	3,190	468	8,360	−10,357	−317	51,737
1960	33,392	9,218	11,790	2,142	7,017	2,631	523	8,717	−10,347	−271	53,231
1961	33,761	10,494	11,748	2,378	6,768	2,602	251	9,374	−10,559	−196	54,741
1962	35,272	10,911	12,278	2,664	6,910	2,704	756	9,744	−10,769	175	58,475
1963	36,992	11,070	12,841	2,682	7,365	2,794	764	10,631	−11,125	54	61,487
1964	39,218	11,637	14,549	2,652	8,633	3,264	655	12,058	−12,595	−64	65,610
1965	41,606	12,253	16,259	3,003	9,843	3,413	1,441	12,606	−14,140	−256	69,981
1966	43,778	13,388	18,015	3,307	11,540	3,168	1,385	14,315	−15,989	−215	74,844
1967	45,863	14,343	17,942	3,403	11,310	3,229	253	15,770	−16,805	−31	77,344
1968	48,138	15,429	17,964	3,430	10,832	3,702	771	17,727	−18,284	−6	81,864
1969	50,353	15,993	18,850	3,350	11,325	4,175	1,518	19,462	−20,727	491	86,225
1970	51,526	17,650	18,904	3,329	11,857	3,718	84	21,223	−20,588	−341	88,390
1971	55,616	18,368	20,800	3,754	12,230	4,816	392	22,181	−22,016	−891	94,450
1972	59,841	18,930	21,955	3,772	12,751	5,432	515	23,655	−24,489	−159	100,248
1973	63,879	19,795	24,384	3,751	14,667	5,966	1,346	26,156	−27,824	76	107,812
1974	67,160	20,584	25,694	3,957	15,802	5,935	2,642	25,620	−30,538	516	111,678
1975	70,645	21,399	26,661	4,127	17,031	5,503	−252	23,993	−29,684	243	113,005
1976	75,251	21,689	27,397	3,860	16,973	6,564	988	26,225	−32,166	−135	119,249
1977	77,416	22,392	27,173	3,859	17,162	6,152	82	28,046	−32,844	−503	121,762
1978	79,550	22,757	27,260	3,779	17,534	5,947	260	30,929	−34,345	−130	126,281
1979	81,136	22,880	28,736	3,568	19,655	5,513	1,898	31,766	−36,420	119	130,115
1980	81,955	22,762	29,830	3,553	21,351	4,926	−735	32,087	−35,615	−124	130,160
1981	83,374	23,227	31,442	3,618	22,827	4,997	698	32,548	−36,733	−486	134,070

Reference Table 4 (continued)
Gross National Expenditure in Constant 1971 Dollars
1948 – 1981

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross national expenditure in constant 1971 dollars
			Total	Govern-ment	Business	Housing			
					(Per cent change)				
1948	−2.4	−5.1	14.8	24.2	10.5	23.7	3.3	−9.8	2.5
1949	5.7	10.6	7.4	3.5	5.3	15.6	−5.9	2.7	3.8
1950	6.6	7.7	7.5	9.7	4.5	14.2	−0.7	8.9	7.6
1951	0.7	30.4	0.4	3.5	9.6	−24.1	9.4	12.5	5.0
1952	7.0	23.2	11.7	19.1	10.3	11.4	11.5	3.4	8.9
1953	7.0	3.1	12.3	6.6	8.1	31.2	−1.0	8.3	5.1
1954	3.7	−3.8	0.0	11.5	−7.1	13.7	−3.7	−4.8	−1.2
1955	8.5	2.2	9.3	0.9	5.1	24.1	7.6	13.4	9.4
1956	7.5	2.5	18.3	8.9	29.2	0.6	7.5	16.1	8.4
1957	3.7	−1.7	7.1	22.9	11.1	−11.1	0.9	−1.2	2.4
1958	3.6	3.0	−1.1	10.9	−12.0	25.6	−0.3	−7.0	2.3
1959	5.6	−0.8	0.5	7.6	−2.2	2.2	3.9	10.3	3.8
1960	3.5	2.4	−3.3	2.5	1.5	−17.5	4.3	−0.1	2.9
1961	1.1	13.8	−0.4	11.0	−3.5	−1.1	7.5	2.0	2.8
1962	4.5	4.0	4.5	12.0	2.1	3.9	3.9	2.0	6.8
1963	4.9	1.5	4.6	0.7	6.6	3.3	9.1	3.3	5.2
1964	6.0	5.1	13.3	−1.1	17.2	16.8	13.4	13.2	6.7
1965	6.1	5.3	11.8	13.2	14.0	4.6	4.5	12.3	6.7
1966	5.2	9.3	10.8	10.1	17.2	−7.2	13.6	13.1	6.9
1967	4.8	7.1	−0.4	2.9	−2.0	1.9	10.2	5.1	3.3
1968	5.0	7.6	0.1	0.8	−4.2	14.6	12.4	8.8	5.8
1969	4.6	3.7	4.9	−2.3	4.6	12.8	9.8	13.4	5.3
1970	2.3	10.4	0.3	−0.6	4.7	−10.9	9.0	−0.7	2.5
1971	7.9	4.1	10.0	12.8	3.1	29.5	4.5	6.9	6.9
1972	7.6	3.1	5.6	0.5	4.3	12.8	6.6	11.2	6.1
1973	6.7	4.6	11.1	−0.6	15.0	9.8	10.6	13.6	7.5
1974	5.1	4.0	5.4	5.5	7.7	−0.5	−2.0	9.8	3.6
1975	5.2	4.0	3.8	4.3	7.8	−7.3	−6.4	−2.8	1.2
1976	6.5	1.4	2.8	−6.5	−0.3	19.3	9.3	8.4	5.5
1977	2.9	3.2	−0.8	0.0	1.1	−6.3	6.9	2.1	2.1
1978	2.8	1.6	0.3	−2.1	2.2	−3.3	10.3	4.6	3.7
1979	2.0	0.5	5.4	−5.6	12.1	−7.3	2.7	6.0	3.0
1980	1.0	−0.5	3.8	−0.4	8.6	−10.6	1.0	−2.2	0.0
1981	1.7	2.0	5.4	1.8	6.9	1.4	1.4	3.1	3.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 5
Structural Changes in Demand
(Percentage Distribution of Gross National Expenditure by Components)
1947 – 1981

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual errror of estimate	Gross national expenditure at market prices
			Total	Government	Business	Housing					
1947	69.5	10.0	17.4	2.3	11.8	3.4	2.5	27.2	−26.7	0.1	100.0
1948	66.9	9.4	19.7	2.7	12.7	4.2	0.6	26.1	−23.4	0.7	100.0
1949	67.6	10.2	20.5	2.7	13.0	4.7	0.5	23.8	−22.9	0.3	100.0
1950	67.5	10.4	20.9	2.8	12.9	5.2	3.0	22.5	−24.3	0.0	100.0
1951	64.0	13.0	20.4	3.0	13.6	3.9	4.0	23.3	−25.8	0.9	100.0
1952	61.7	14.7	20.7	3.2	13.7	3.8	2.0	22.6	−21.8	0.0	100.0
1953	62.6	14.8	22.2	3.0	14.3	4.8	2.3	20.8	−22.5	−0.3	100.0
1954	65.3	14.8	22.0	3.4	13.2	5.4	−0.8	19.8	−21.4	0.2	100.0
1955	64.5	14.1	22.5	3.3	12.9	6.3	1.0	20.2	−22.4	0.1	100.0
1956	62.7	13.8	25.0	3.6	15.7	5.7	3.1	19.8	−23.9	−0.4	100.0
1957	64.1	13.6	25.9	4.0	17.0	5.0	0.5	19.0	−23.2	−0.1	100.0
1958	65.7	14.0	24.5	4.0	14.5	6.0	−0.9	18.2	−21.1	−0.5	100.0
1959	66.2	13.5	23.5	4.1	13.6	5.8	1.1	18.1	−21.8	−0.6	100.0
1960	66.4	13.8	22.1	4.1	13.3	4.7	1.1	18.3	−21.1	−0.5	100.0
1961	65.4	15.7	21.2	4.2	12.4	4.5	0.3	19.2	−21.4	−0.4	100.0
1962	64.0	15.4	20.7	4.4	11.9	4.3	1.6	19.2	−21.1	0.3	100.0
1963	63.6	15.2	20.8	4.3	12.2	4.3	1.5	19.7	−20.8	0.1	100.0
1964	62.4	15.1	22.3	4.0	13.5	4.7	1.1	20.9	−21.7	−0.1	100.0
1965	61.3	15.1	23.8	4.4	14.6	4.8	2.2	20.2	−22.3	−0.4	100.0
1966	59.7	15.8	24.8	4.6	16.0	4.2	2.0	21.1	−23.1	−0.3	100.0
1967	60.2	16.8	23.5	4.4	14.9	4.2	0.4	22.1	−22.9	0.0	100.0
1968	60.2	17.5	21.7	4.1	13.1	4.5	1.0	23.0	−23.4	0.0	100.0
1969	59.5	17.8	21.6	3.8	12.9	4.8	1.8	23.5	−24.8	0.6	100.0
1970	58.7	19.4	21.0	3.7	13.2	4.1	0.1	24.7	−23.6	−0.4	100.0
1971	58.9	19.4	22.0	4.0	12.9	5.1	0.4	23.5	−23.3	−0.9	100.0
1972	59.1	19.3	21.9	3.8	12.6	5.5	0.5	23.4	−24.0	−0.2	100.0
1973	57.7	18.6	22.5	3.5	13.1	6.0	1.3	24.9	−25.1	0.0	100.0
1974	56.5	18.9	23.2	3.7	13.6	5.9	2.3	26.4	−27.8	0.4	100.0
1975	58.7	20.2	24.2	3.8	14.8	5.6	−0.1	24.5	−27.6	0.2	100.0
1976	58.0	20.1	23.5	3.3	13.7	6.4	0.8	23.9	−26.2	−0.1	100.0
1977	58.7	20.8	23.1	3.3	13.7	6.1	0.2	25.2	−27.4	−0.4	100.0
1978	58.7	20.7	22.7	3.1	13.7	5.9	0.2	27.3	−29.5	−0.1	100.0
1979	57.5	19.8	23.1	2.8	14.9	5.4	1.6	29.4	−31.6	0.1	100.0
1980	58.0	20.0	23.6	2.8	16.1	4.8	−0.4	31.1	−32.2	−0.1	100.0
1981	57.8	20.1	24.5	2.8	16.8	4.9	0.4	30.1	−32.6	−0.4	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 6
Structural Changes in Demand
(Percentage Distribution of Gross National Expenditure in Constant 1971 Dollars by Components)
1947 – 1981

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure in constant 1971 dollars
			Total	Government	Business	Housing					
1947	62.9	16.1	18.0	2.1	12.2	3.7	2.3	20.9	−21.7	0.1	100.0
1948	59.9	14.9	20.2	2.6	13.2	4.4	0.4	21.1	−19.1	0.7	100.0
1949	61.0	15.9	20.9	2.6	13.4	4.9	0.7	19.1	−18.9	0.3	100.0
1950	60.4	15.9	20.9	2.6	13.0	5.3	2.3	17.6	−19.2	0.0	100.0
1951	58.0	19.7	19.9	2.6	13.6	3.8	2.9	18.4	−20.5	0.9	100.0
1952	56.9	22.3	20.4	2.8	13.7	3.9	1.2	18.8	−19.5	0.1	100.0
1953	57.9	21.9	21.8	2.9	14.1	4.8	1.9	17.7	−20.1	−0.3	100.0
1954	60.8	21.3	22.1	3.2	13.3	5.6	−0.6	17.2	−19.4	0.2	100.0
1955	60.3	19.9	22.1	3.0	12.7	6.3	0.9	17.0	−20.0	0.1	100.0
1956	59.7	18.8	24.0	3.0	15.2	5.9	2.4	16.8	−21.5	−0.4	100.0
1957	60.6	18.1	25.2	3.6	16.5	5.1	0.5	16.6	−20.7	−0.1	100.0
1958	61.3	18.2	24.3	3.9	14.2	6.3	−0.6	16.1	−18.8	−0.5	100.0
1959	62.4	17.4	23.6	4.0	13.4	6.2	0.9	16.2	−20.0	−0.6	100.0
1960	62.7	17.3	22.1	4.0	13.2	4.9	1.0	16.4	−19.4	−0.5	100.0
1961	61.7	19.2	21.5	4.3	12.4	4.8	0.5	17.1	−19.3	−0.4	100.0
1962	60.3	18.7	21.0	4.6	11.8	4.6	1.3	16.7	−18.4	0.3	100.0
1963	60.2	18.0	20.9	4.4	12.0	4.5	1.2	17.3	−18.1	0.1	100.0
1964	59.8	17.7	22.2	4.0	13.2	5.0	1.0	18.4	−19.2	−0.1	100.0
1965	59.5	17.5	23.2	4.3	14.1	4.9	2.1	18.0	−20.2	−0.4	100.0
1966	58.5	17.9	24.1	4.4	15.4	4.2	1.9	19.1	−21.4	−0.3	100.0
1967	59.3	18.5	23.2	4.4	14.6	4.2	0.3	20.4	−21.7	0.0	100.0
1968	58.8	18.8	21.9	4.2	13.2	4.5	0.9	21.7	−22.3	0.0	100.0
1969	58.4	18.5	21.9	3.9	13.1	4.8	1.8	22.6	−24.0	0.6	100.0
1970	58.3	20.0	21.4	3.8	13.4	4.2	0.1	24.0	−23.3	−0.4	100.0
1971	58.9	19.4	22.0	4.0	12.9	5.1	0.4	23.5	−23.3	−0.9	100.0
1972	59.7	18.9	21.9	3.8	12.7	5.4	0.5	23.6	−24.4	−0.2	100.0
1973	59.3	18.4	22.6	3.5	13.6	5.5	1.2	24.3	−25.8	0.1	100.0
1974	60.1	18.4	23.0	3.5	14.1	5.3	2.4	22.9	−27.3	0.5	100.0
1975	62.5	18.9	23.6	3.7	15.1	4.9	−0.2	21.2	−26.3	0.2	100.0
1976	63.1	18.2	23.0	3.2	14.2	5.5	0.8	22.0	−27.0	−0.1	100.0
1977	63.6	18.4	22.3	3.2	14.1	5.1	0.1	23.0	−27.0	−0.4	100.0
1978	63.0	18.0	21.6	3.0	13.9	4.7	0.2	24.5	−27.2	−0.1	100.0
1979	62.4	17.6	22.1	2.9	15.1	4.2	1.5	24.4	−28.0	0.1	100.0
1980	63.0	17.5	22.9	2.9	16.4	3.8	−0.6	24.7	−27.4	−0.1	100.0
1981	62.2	17.3	23.5	2.7	17.0	3.7	0.5	24.3	−27.4	−0.4	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 7
Gross Expenditure Per Capita, Canada and by Province
1962 – 1980

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	31720 31236	31742 31237	31764 31238	31786 31239	31808 31240	31830 31241	31852 31242	31874 31243	31896 31244	44014 31245	31940 31246 + 31247	31698 31248
						(Dollars)						
1962	1,140	1,158	1,503	1,373	2,132	2,804	2,159	2,201	2,507	2,588	2,085	2,354
1963	1,221	1,192	1,565	1,441	2,204	2,933	2,227	2,591	2,637	2,718	2,198	2,472
1964	1,349	1,302	1,669	1,612	2,398	3,148	2,386	2,456	2,774	2,921	2,250	2,647
1965	1,450	1,415	1,789	1,750	2,584	3,372	2,547	2,652	3,029	3,189	3,080	2,856
1966	1,632	1,517	1,973	1,920	2,818	3,677	2,730	3,121	3,424	3,422	3,216	3,133
1967	1,712	1,614	2,142	2,029	3,005	3,911	2,964	2,861	3,612	3,603	3,486	3,315
1968	1,916	1,814	2,346	2,214	3,172	4,225	3,248	3,031	3,919	3,838	3,993	3,562
1969	2,082	1,944	2,651	2,404	3,431	4,596	3,509	3,265	4,230	4,234	4,291	3,876
1970	2,311	2,178	2,828	2,603	3,647	4,802	3,710	3,215	4,493	4,284	4,540	4,069
1971	2,479	2,307	2,995	2,810	3,918	5,171	3,996	3,788	4,884	4,709	4,306	4,408
1972	2,529	2,551	3,395	3,209	4,337	5,731	4,408	3,997	5,441	5,264	4,904	4,886
1973	2,952	3,216	3,887	3,726	4,936	6,518	5,226	5,222	6,693	6,376	6,312	5,686
1974	3,498	3,318	4,382	4,334	5,790	7,495	6,124	6,964	9,140	7,264	8,205	6,725
1975	3,888	3,887	4,865	4,860	6,435	8,104	6,871	7,812	10,571	7,831	7,660	7,410
1976	4,542	4,422	5,590	5,402	7,417	9,201	7,759	8,591	11,623	9,184	7,539	8,436
1977	5,044	4,664	6,047	5,763	7,954	9,929	8,146	8,938	12,932	10,105	9,486	9,132
1978	5,358	5,366	6,744	6,452	8,811	10,727	8,945	10,080	14,641	11,091	10,762	10,048
1979	6,414	5,967	7,443	7,603	9,820	11,999	10,016	11,488	17,151	12,718	13,220	11,373
1980	6,414	6,345	7,545	7,380	10,740	13,032	10,793	13,444	19,305	13,829	14,197	12,427
						(Per cent change)						
1963	7.1	2.9	4.1	5.0	3.4	4.6	3.1	17.7	5.2	5.0	5.4	5.0
1964	10.5	9.2	6.7	11.9	8.8	7.3	7.1	−5.2	5.2	7.4	2.4	7.1
1965	7.5	8.7	7.2	8.5	7.7	7.1	6.8	8.0	9.2	9.2	36.9	7.9
1966	12.5	7.3	10.3	9.7	9.1	9.0	7.2	17.7	13.1	7.3	7.7	9.7
1967	4.9	6.3	8.5	5.7	6.6	6.4	8.6	−8.3	5.5	5.3	5.1	5.8
1968	11.9	12.4	9.5	9.1	5.5	8.0	9.6	5.9	8.5	6.5	14.5	7.5
1969	8.7	7.2	13.0	8.6	8.2	8.8	8.0	7.7	7.9	10.3	7.5	8.8
1970	11.0	12.0	6.7	8.3	6.3	4.5	5.7	−1.5	6.2	1.2	5.8	5.0
1971	7.3	5.9	5.9	8.0	7.4	7.7	7.7	17.8	8.7	9.9	−5.2	8.3
1972	2.0	10.6	13.4	14.2	10.7	10.8	10.3	5.5	11.4	11.8	13.9	10.8
1973	16.7	26.0	14.5	16.1	13.8	13.7	18.6	30.6	23.0	21.1	28.7	16.4
1974	18.5	3.2	12.7	16.3	17.3	15.0	17.2	33.4	36.6	13.9	30.0	18.3
1975	11.1	17.1	11.0	12.1	11.1	8.1	12.2	12.2	15.7	7.8	−6.6	10.2
1976	16.8	13.8	14.9	11.2	15.3	13.5	12.9	10.0	10.0	17.3	−1.6	13.8
1977	11.0	5.5	8.2	6.7	7.2	7.9	5.0	4.0	11.3	10.0	25.8	8.2
1978	6.2	15.1	11.5	12.0	10.8	8.0	9.8	12.8	13.2	9.8	13.4	10.0
1979	19.7	11.2	10.4	17.8	11.5	11.9	12.0	14.0	17.1	14.7	22.8	13.2
1980	0.0	6.3	1.4	−2.9	9.4	8.6	7.7	17.0	12.6	8.7	7.4	9.3

Reference Table 7 (continued)
Gross Expenditure Per Capita, Canada and by Province
1962 – 1980

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
	(Personal expenditure per capita, by province, as a percentage of personal expenditure per capita at the national level)											
1962	48.4	49.2	63.8	58.3	90.5	119.1	91.7	93.5	106.5	109.9	88.6	100.0
1963	49.4	48.2	63.3	58.3	89.2	118.7	90.1	104.8	106.7	110.0	88.9	100.0
1964	50.9	49.2	63.1	60.9	90.6	118.9	90.1	92.8	104.8	110.3	85.0	100.0
1965	50.8	49.5	62.7	61.3	90.5	118.1	89.2	92.9	106.1	111.7	107.9	100.0
1966	52.1	48.4	63.0	61.3	90.0	117.4	87.1	99.6	109.3	109.2	105.6	100.0
1967	51.7	48.7	64.6	61.2	90.7	118.0	89.4	86.3	109.0	108.7	105.2	100.0
1968	53.8	50.9	65.8	62.2	89.0	118.6	91.2	85.1	110.0	107.7	112.1	100.0
1969	53.7	50.2	68.4	62.0	88.5	118.6	90.5	84.2	109.1	109.2	110.7	100.0
1970	56.8	53.5	69.5	64.0	89.6	118.0	91.2	79.0	110.4	105.3	111.6	100.0
1971	56.2	52.3	68.0	63.8	88.9	117.3	90.7	85.9	110.8	106.8	97.7	100.0
1972	51.8	52.2	69.5	65.7	88.8	117.3	90.2	81.8	111.4	107.7	100.4	100.0
1973	51.9	56.6	68.4	65.5	86.8	114.6	91.9	91.8	117.7	112.1	111.0	100.0
1974	52.0	49.3	65.2	64.4	86.1	111.4	91.1	103.5	135.9	108.0	122.0	100.0
1975	52.5	52.5	65.7	65.6	86.8	109.4	92.7	105.4	142.7	105.7	103.4	100.0
1976	53.8	52.4	66.3	64.0	87.9	109.1	92.0	101.8	137.8	108.9	89.4	100.0
1977	55.2	51.1	66.2	63.1	87.1	108.7	89.2	97.9	141.6	110.7	103.9	100.0
1978	53.3	53.4	67.1	64.2	87.7	106.8	89.0	100.3	145.7	110.4	107.1	100.0
1979	56.4	52.5	65.4	66.9	86.3	105.5	88.1	101.0	150.8	111.8	116.2	100.0
1980	51.6	51.1	60.7	59.4	86.4	104.9	86.8	108.2	155.3	111.3	114.2	100.0

Note: Gross expenditure per capita is obtained by dividing personal expenditure by population as of June. Percentages are calculated from unrounded data.
Source: Statistics Canada, *Annual Estimates of Population for Canada and Provinces as of June 1; National Income and Expenditure Accounts.*

Reference Table 8
Gross Provincial Expenditures
1962 – 1980

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	31720	31742	31764	31786	31808	31830	31852	31874	31896	44014	31940	31698
						(Millions of dollars)						
1962	533	124	1,121	830	11,449	17,811	2,021	2,047	3,432	4,296	83	43,749
1963	581	129	1,175	878	12,081	19,009	2,113	2,417	3,700	4,618	90	46,791
1964	651	142	1,260	985	13,392	20,876	2,288	2,313	3,964	5,096	94	51,062
1965	708	154	1,352	1,076	14,691	22,888	2,458	2,520	4,391	5,730	126	56,095
1966	805	165	1,492	1,184	16,292	25,594	2,629	2,981	5,009	6,413	143	62,706
1967	854	176	1,628	1,258	17,621	27,873	2,854	2,738	5,382	7,008	153	67,547
1968	969	200	1,799	1,384	18,802	30,683	3,154	2,910	5,973	7,688	180	73,740
1969	1,070	216	2,055	1,510	20,534	33,944	3,435	3,128	6,594	8,722	202	81,410
1970	1,195	240	2,211	1,632	21,931	36,258	3,647	3,025	7,166	9,116	227	86,648
1971	1,294	256	2,363	1,784	23,620	39,829	3,948	3,507	7,951	10,289	228	95,071
1972	1,341	288	2,699	2,054	26,258	44,762	4,369	3,654	9,016	11,796	280	106,517
1973	1,585	367	3,125	2,410	30,006	51,548	5,205	4,726	11,311	14,677	379	125,339
1974	1,892	382	3,558	2,835	35,451	60,363	6,167	6,268	15,739	17,260	492	150,407
1975	2,134	455	3,989	3,232	39,762	66,230	6,967	7,086	18,796	19,054	483	168,186
1976	2,535	522	4,634	3,657	46,242	76,038	7,930	7,913	21,364	22,656	482	193,974
1977	2,845	560	5,049	3,959	49,919	82,960	8,382	8,375	24,532	25,202	607	212,389
1978	3,049	655	5,678	4,484	55,270	90,580	9,249	9,556	28,609	28,061	700	235,890
1979	3,682	734	6 312	5,330	61,761	102,038	10,337	11,028	34,542	32,699	859	269,321
1980	3,720	787	6,436	5,225	67,792	111,740	11,106	13,041	40,174	36,507	923	297,450
						(Per cent change)						
1963	8.9	3.9	4.8	5.7	5.5	6.7	4.6	18.1	7.8	7.5	8.0	7.0
1964	12.1	10.3	7.3	12.3	10.8	9.8	8.2	−4.3	7.2	10.3	4.9	9.1
1965	8.6	8.7	7.3	9.3	9.7	9.6	7.4	8.9	10.8	12.4	33.7	9.9
1966	13.7	7.3	10.3	10.1	10.9	11.8	6.9	18.3	14.1	11.9	12.9	11.8
1967	6.2	6.3	9.1	6.2	8.2	8.9	8.6	−8.1	7.5	9.3	7.6	7.7
1968	13.5	13.4	10.5	10.0	6.7	10.1	10.5	6.3	11.0	9.7	17.1	9.2
1969	10.4	8.2	14.2	9.1	9.2	10.6	8.9	7.5	10.4	13.5	12.2	10.4
1970	11.7	11.0	7.6	8.1	6.8	6.8	6.2	−3.3	8.7	4.5	12.5	6.4
1971	8.3	6.9	6.9	9.4	7.7	9.8	8.3	15.9	11.0	12.9	.5	9.7
1972	3.6	12.6	14.2	15.1	11.2	12.4	10.7	4.2	13.4	14.6	22.5	12.0
1973	18.2	27.2	15.8	17.4	14.3	15.2	19.1	29.3	25.5	24.4	35.5	17.7
1974	19.4	4.1	13.9	17.6	18.1	17.1	18.5	32.6	39.1	17.6	30.0	20.0
1975	12.8	19.2	12.1	14.0	12.2	9.7	13.0	13.1	19.4	10.4	−2.0	11.8
1976	18.8	14.7	16.2	13.2	16.3	14.8	13.8	11.7	13.7	18.9	−0.2	15.3
1977	12.2	7.3	9.0	8.2	8.0	9.1	5.7	5.8	14.8	11.2	25.8	9.5
1978	7.2	17.0	12.5	13.3	10.7	9.2	10.3	14.1	16.6	11.3	15.2	11.1
1979	20.7	12.1	11.2	18.9	11.7	12.6	11.8	15.4	20.7	16.5	22.8	14.2
1980	1.0	7.2	2.0	−2.0	9.8	9.5	7.4	18.2	16.3	11.6	7.4	10.4

Source: Statistics Canada, *Provincial Economic Accounts*, annual, cat. 13-213.

Reference Table 9
Percentage Distribution of Gross Provincial Expenditures
1962 – 1980

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
						(Percentage distribution of total among provinces)						
1962	1.2	0.3	2.6	1.9	26.2	40.7	4.6	4.7	7.8	9.8	0.2	100.0
1963	1.2	0.3	2.5	1.9	25.8	40.6	4.5	5.2	7.9	9.9	0.2	100.0
1964	1.3	0.3	2.5	1.9	26.2	40.9	4.5	4.5	7.8	10.0	0.2	100.0
1965	1.3	0.3	2.4	1.9	26.2	40.8	4.4	4.5	7.8	10.2	0.2	100.0
1966	1.3	0.3	2.4	1.9	26.0	40.8	4.2	4.8	8.0	10.2	0.2	100.0
1967	1.3	0.3	2.4	1.9	26.1	41.3	4.2	4.1	8.0	10.4	0.2	100.0
1968	1.3	0.3	2.4	1.9	25.5	41.6	4.3	3.9	8.1	10.4	0.2	100.0
1969	1.3	0.3	2.5	1.9	25.2	41.7	4.2	3.8	8.1	10.7	0.2	100.0
1970	1.4	0.3	2.6	1.9	25.3	41.8	4.2	3.5	8.3	10.5	0.3	100.0
1971	1.4	0.3	2.5	1.9	24.8	41.9	4.2	3.7	8.4	10.8	0.2	100.0
1972	1.3	0.3	2.5	1.9	24.7	42.0	4.1	3.4	8.5	11.1	0.3	100.0
1973	1.3	0.3	2.5	1.9	23.9	41.1	4.2	3.8	9.0	11.7	0.3	100.0
1974	1.3	0.3	2.4	1.9	23.6	40.1	4.1	4.2	10.5	11.5	0.3	100.0
1975	1.3	0.3	2.4	1.9	23.6	39.4	4.1	4.2	11.2	11.3	0.3	100.0
1976	1.3	0.3	2.4	1.9	23.8	39.2	4.1	4.1	11.0	11.7	0.2	100.0
1977	1.3	0.3	2.4	1.9	23.5	39.1	3.9	3.9	11.6	11.9	0.3	100.0
1978	1.3	0.3	2.4	1.9	23.4	38.4	3.9	4.1	12.1	11.9	0.3	100.0
1979	1.4	0.3	2.3	2.0	22.9	37.9	3.8	4.1	12.8	12.1	0.3	100.0
1980	1.3	0.3	2.2	1.8	22.8	37.6	3.7	4.4	13.5	12.3	0.3	100.0

Source: Statistics Canada, *Provincial Economic Accounts*.

Reference Table 10
National Income and Gross National Product
1950 – 1981

Years	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Residual error of estimate	Gross national product at market prices
D		40002 40242	40003 40243	40004 40244	40005 40245	40006 40246	40007 40247	40008 40248	40009 40249	40010 40250	40011 40251	40548 40551
						(Millions of dollars)						
1950	9,152	2,608	−412	396	1,301	1,882	−374	14,553	2,065	1,876	−3	18,491
1951	10,770	3,144	−379	463	1,868	1,976	−643	17,199	2,548	2,098	−205	21,640
1952	12,073	3,071	−346	523	1,878	2,155	114	19,468	2,799	2,333	−12	24,588
1953	13,062	2,985	−328	583	1,462	2,359	2	20,125	2,994	2,634	80	25,833
1954	13,451	2,755	−339	628	918	2,498	87	19,998	3,042	2,930	−52	25,918
1955	14,369	3,485	−396	764	1,120	2,748	−182	21,908	3,321	3,337	−38	28,528
1956	16,171	3,928	−450	869	1,283	2,827	−245	24,383	3,731	3,814	130	32,058
1957	17,519	3,554	−505	977	908	2,962	−59	25,356	3,975	4,159	23	33,513
1958	17,982	3,669	−486	1,063	1,116	3,133	−41	26,436	4,036	4,135	170	34,777
1959	19,149	3,966	−527	1,062	1,008	3,207	−108	27,757	4,401	4,461	227	36,846
1960	20,141	3,870	−495	1,129	1,026	3,192	−26	28,837	4,587	4,739	196	38,359
1961	21,009	4,066	−622	1,284	826	3,261	−41	29,783	4,838	4,833	142	39,646
1962	22,468	4,450	−621	1,416	1,377	3,380	−100	32,370	5,446	5,236	−125	42,927
1963	23,932	4,932	−652	1,563	1,562	3,576	−213	34,700	5,714	5,603	−39	45,978
1964	26,034	5,841	−787	1,724	1,307	3,705	−144	37,680	6,441	6,108	51	50,280
1965	28,878	6,318	−828	1,891	1,389	3,893	−322	41,219	7,284	6,655	206	55,364
1966	32,629	6,714	−850	2,070	1,950	4,116	−335	46,294	8,030	7,322	182	61,828
1967	36,160	6,823	−874	2,362	1,239	4,355	−327	49,738	8,852	7,786	33	66,409
1968	39,318	7,742	−835	2,623	1,321	4,778	−341	54,606	9,662	8,308	10	72,586
1969	43,949	8,294	−854	3,082	1,435	5,187	−576	60,517	10,722	9,019	−443	79,815
1970	47,620	7,699	−952	3,428	1,211	5,424	−195	64,235	11,299	9,806	345	85,685
1971	52,436	8,681	−1,079	3,906	1,576	5,928	−665	70,783	12,276	10,500	891	94,450
1972	58,549	10,799	−1,031	4,577	1,662	6,170	−1,032	79,694	13,876	11,474	190	105,234
1973	67,849	15,417	−1,277	5,359	3,009	6,656	−2,362	94,651	15,598	13,355	−44	123,560
1974	81,289	20,062	−1,645	7,632	3,859	6,901	−4,244	113,854	18,257	16,046	−629	147,528
1975	94,625	19,663	−1,835	8,661	3,944	7,669	−2,938	129,789	17,584	18,270	−300	165,343
1976	109,445	19,985	−1,719	11,175	3,317	8,438	−2,064	148,507	21,520	20,738	266	191,031
1977	120,523	20,928	−2,094	13,147	2,831	9,113	−3,419	161,029	23,907	23,043	889	208,868
1978	131,382	25,614	−2,843	15,771	3,585	9,644	−4,577	178,576	25,854	25,662	261	230,353
1979	146,639	34,884	−3,064	19,143	3,983	10,503	−6,718	205,370	27,925	28,854	−188	261,961
1980	164,036	37,172	−3,411	21,782	3,969	11,438	−6,841	228,145	29,191	32,174	349	289,859
1981	186,608	33,856	−4,329	26,326	4,850	12,630	−6,721	253,220	38,241	35,766	1,274	328,501

Reference Table 10 (continued)
National Income and Gross National Product
1950 – 1981

Years	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Gross national product at market prices
					(Per cent change)					
1950	8.0	29.8	26.4	36.1	7.4	6.1	9.2	10.0	14.1	10.1
1951	17.7	20.6	−8.0	16.9	43.6	5.0	18.2	23.4	11.8	17.0
1952	12.1	−2.3	−8.7	13.0	0.5	9.1	13.2	9.9	11.2	13.6
1953	8.2	−2.8	−5.2	11.5	−22.2	9.5	3.4	7.0	12.9	5.1
1954	3.0	−7.7	3.4	7.7	−37.2	5.9	−0.6	1.6	11.2	0.3
1955	6.8	26.5	16.8	21.7	22.0	10.0	9.6	9.2	13.9	10.1
1956	12.5	12.7	13.6	13.7	14.6	2.9	11.3	12.3	14.3	12.4
1957	8.3	−9.5	12.2	12.4	−29.2	4.8	4.0	6.5	9.0	4.5
1958	2.6	3.2	−3.8	8.8	22.9	5.8	4.3	1.5	−0.6	3.8
1959	6.5	8.1	8.4	−0.1	−9.7	2.4	5.0	9.0	7.9	5.9
1960	5.2	−2.4	−6.1	6.3	1.8	−0.5	3.9	4.2	6.2	4.1
1961	4.3	5.1	25.7	13.7	−19.5	2.2	3.3	5.5	3.0	3.4
1962	6.9	9.4	−0.2	10.3	66.7	3.6	8.7	12.6	7.2	8.3
1963	6.5	10.8	5.0	10.4	13.4	5.8	7.2	4.9	7.0	7.1
1964	8.8	18.4	20.7	10.3	−16.3	3.6	8.6	12.7	9.0	9.4
1965	10.9	8.2	5.2	9.7	6.3	5.1	9.4	13.1	9.0	10.1
1966	13.0	6.3	2.7	9.5	40.4	5.7	12.3	10.2	10.0	11.7
1967	10.8	1.6	2.8	14.1	−36.5	5.8	7.4	10.2	6.3	7.4
1968	8.7	13.5	−4.5	11.0	6.6	9.7	9.8	9.2	6.7	9.3
1969	11.8	7.1	2.3	17.5	8.6	8.6	10.8	11.0	8.6	10.0
1970	8.4	−7.2	11.5	11.2	−15.6	4.6	6.1	5.4	8.7	7.4
1971	10.1	12.8	13.3	13.9	30.1	9.3	10.2	8.6	7.1	10.2
1972	11.7	24.4	−4.4	17.2	5.5	4.1	12.6	13.0	9.3	11.4
1973	15.9	42.8	23.9	17.1	81.0	7.9	18.8	12.4	16.4	17.4
1974	19.8	30.1	28.8	42.4	28.2	3.7	20.3	17.0	20.1	19.4
1975	16.4	−2.0	11.6	13.5	2.2	11.1	14.0	−3.7	13.9	12.1
1976	15.6	1.6	−6.3	29.0	−15.9	10.0	14.4	22.4	13.5	15.5
1977	10.2	4.7	21.8	17.6	−14.7	8.0	8.4	11.1	11.1	9.3
1978	9.0	22.4	35.8	20.0	26.6	5.8	10.9	8.1	11.4	10.3
1979	11.6	36.2	7.8	21.4	11.1	8.9	15.0	8.0	12.4	13.7
1980	11.9	6.6	11.3	13.8	−0.4	8.9	11.1	4.5	11.5	10.6
1981	13.8	−8.9	26.9	20.9	22.2	10.4	11.0	31.0	11.2	13.3

[1] Includes military pay and allowances. Unadjusted: D 40000 + 40001; seasonally adjusted: D 40240 + 40241.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 11
Reconciliation of Gross National Product at Market Prices and Gross Domestic Product at Factor Cost
1953 – 1981

Years	Gross national product at market prices	Residual error of estimate	Indirect taxes less subsidies	Investment income from non-residents	Investment income paid to non-residents	Gross domestic product at factor cost
D	40551	40431	40432	40433	40434	40435
			(Millions of dollars)			
1953	25,833	−80	−2,994	−194	495	23,060
1954	25,918	52	−3,042	−181	520	23,267
1955	28,528	38	−3,321	−201	586	25,630
1956	32,058	−130	−3,731	−196	657	28,658
1957	33,513	−23	−3,975	−208	771	30,078
1958	34,777	−170	−4,036	−238	763	31,096
1959	36,846	−227	−4,401	−251	860	32,827
1960	38,359	−196	−4,587	−254	870	34,192
1961	39,646	−142	−4,838	−300	1,022	35,388
1962	42,927	125	−5,446	−297	1,068	38,377
1963	45,978	39	−5,714	−314	1,161	41,150
1964	50,280	−51	−6,441	−443	1,351	44,696
1965	55,364	−206	−7,284	−465	1,485	48,894
1966	61,828	−182	−8,030	−486	1,634	54,764
1967	66,409	−33	−8,852	−464	1,733	58,793
1968	72,586	−10	−9,662	−590	1,841	64,165
1969	79,815	443	−10,722	−857	2,099	70,778
1970	85,685	−345	−11,299	−1,011	2,397	75,427
1971	94,450	−891	−12,276	−953	2,537	82,867
1972	105,234	−190	−13,876	−977	2,528	92,719
1973	123,560	44	−15,598	−1,188	3,012	109,830
1974	147,528	629	−18,257	−1,386	3,741	132,255
1975	165,343	300	−17,584	−1,671	4,338	150,726
1976	191,031	−266	−21,520	−1,601	4,940	172,584
1977	208,868	−889	−23,907	−1,696	6,248	188,624
1978	230,353	−260	−25,854	−2,239	8,188	210,187
1979	261,961	189	−27,925	−2,434	9,761	241,551
1980	289,859	−348	−29,191	−3,458	11,561	268,422
1981	328,501	−1,274	−38,241	−3,159	14,943	300,770

Reference Table 11 (continued)
Reconciliation of Gross National Product at Market Prices and Gross Domestic Product at Factor Cost
1953 – 1981

Years	Gross national product at market prices	Indirect taxes less subsidies	Investment income received from non-residents	Investment income paid to non-residents	Gross domestic product at factor cost
			(Per cent change)		
1953	5.1	7.0	6.0	−2.4	4.2
1954	0.3	1.6	−6.7	5.1	0.9
1955	10.1	9.2	11.0	12.7	10.2
1956	12.4	12.3	−2.5	12.1	11.8
1957	4.5	6.5	6.1	17.4	5.0
1958	3.8	1.5	14.4	−1.0	3.4
1959	5.9	9.0	5.5	12.7	5.6
1960	4.1	4.2	1.2	1.2	4.2
1961	3.4	5.5	18.1	17.5	3.5
1962	8.3	12.6	−1.0	4.5	8.4
1963	7.1	4.9	5.7	8.7	7.2
1964	9.4	12.7	41.1	16.4	8.6
1965	10.1	13.1	5.0	9.9	9.4
1966	11.7	10.2	4.5	10.0	12.0
1967	7.4	10.2	−4.5	6.1	7.4
1968	9.3	9.2	27.2	6.2	9.1
1969	10.0	11.0	45.2	14.0	10.3
1970	7.4	5.4	18.0	14.2	6.6
1971	10.2	8.6	−5.7	5.8	9.9
1972	11.4	13.0	2.5	−0.4	11.9
1973	17.4	12.4	21.6	19.1	18.5
1974	19.4	17.0	16.7	24.2	20.4
1975	12.1	−3.7	20.6	16.0	14.0
1976	15.5	22.4	−4.2	13.9	14.5
1977	9.3	11.1	5.9	26.5	9.3
1978	10.3	8.1	32.0	31.0	11.4
1979	13.5	8.0	8.7	19.2	14.9
1980	10.6	4.5	42.1	18.4	11.1
1981	13.3	31.0	−8.6	29.3	12.1

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 12
Structural Changes in Income
(Per Cent Distribution of Gross National Product by Components)
1947 – 1981

Years	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Residual error of estimate	Gross national product at market prices
1947.....	50.1	13.8	−1.9	1.4	8.2	11.2	−4.2	78.5	12.5	9.1	−0.1	100.0
1948.....	50.6	13.2	−1.7	1.6	8.8	10.3	−3.3	79.5	11.8	9.3	−0.7	100.0
1949.....	50.5	12.0	−1.9	1.7	7.2	10.6	−0.7	79.3	11.2	9.8	−0.3	100.0
1950.....	49.5	14.1	−2.2	2.1	7.0	10.2	−2.0	78.7	11.2	10.1	0.0	100.0
1951.....	49.8	14.5	−1.8	2.1	8.6	9.1	−3.0	79.5	11.8	9.7	−0.9	100.0
1952.....	49.1	12.5	−1.4	2.1	7.6	8.8	0.5	79.2	11.4	9.5	0.0	100.0
1953.....	50.6	11.6	−1.3	2.3	5.7	9.1	0.0	77.9	11.6	10.2	0.3	100.0
1954.....	51.9	10.6	−1.3	2.4	3.5	9.6	0.3	77.2	11.7	11.3	−0.2	100.0
1955.....	50.4	12.2	−1.4	2.7	3.9	9.6	−0.6	76.8	11.6	11.7	−0.1	100.0
1956.....	50.4	12.3	−1.4	2.7	4.0	8.8	−0.8	76.1	11.6	11.9	0.4	100.0
1957.....	52.3	10.6	−1.5	2.9	2.7	8.8	−0.2	75.7	11.9	12.4	0.1	100.0
1958.....	51.7	10.6	−1.4	3.1	3.2	9.0	−0.1	76.0	11.6	11.9	0.5	100.0
1959.....	52.0	10.8	−1.4	2.9	2.7	8.7	−0.3	75.3	11.9	12.1	0.6	100.0
1960.....	52.5	10.1	−1.3	2.9	2.7	8.3	−0.1	75.2	12.0	12.4	0.5	100.0
1961.....	53.0	10.3	−1.6	3.2	2.1	8.2	−0.1	75.1	12.2	12.3	0.4	100.0
1962.....	52.3	10.4	−1.4	3.3	3.2	7.9	−0.2	75.4	12.7	12.2	−0.3	100.0
1963.....	52.1	10.7	−1.4	3.4	3.4	7.8	−0.5	75.5	12.4	12.2	−0.1	100.0
1964.....	51.8	11.6	−1.6	3.4	2.6	7.4	−0.3	74.9	12.8	12.1	0.1	100.0
1965.....	52.2	11.4	−1.5	3.4	2.5	7.0	−0.6	74.5	13.2	12.0	0.4	100.0
1966.....	52.8	10.9	−1.4	3.3	3.2	6.7	−0.5	74.9	13.0	11.8	0.3	100.0
1967.....	54.5	10.3	−1.3	3.6	1.9	6.6	−0.5	74.9	13.3	11.7	0.0	100.0
1968.....	54.2	10.7	−1.2	3.6	1.8	6.6	−0.5	75.2	13.3	11.4	0.0	100.0
1969.....	55.1	10.4	−1.1	3.9	1.8	6.5	−0.7	75.8	13.4	11.3	−0.6	100.0
1970.....	55.6	9.0	−1.1	4.0	1.4	6.3	−0.2	75.0	13.2	11.4	0.4	100.0
1971.....	55.5	9.2	−1.1	4.1	1.7	6.3	−0.7	74.9	13.0	11.1	0.9	100.0
1972.....	55.6	10.3	−1.0	4.3	1.6	5.9	−1.0	75.7	13.2	10.9	0.2	100.0
1973.....	54.9	12.5	−1.0	4.3	2.4	5.4	−1.9	76.6	12.6	10.8	0.0	100.0
1974.....	55.1	13.6	−1.1	5.2	2.6	4.7	−2.9	77.2	12.4	10.9	−0.4	100.0
1975.....	57.2	11.9	−1.1	5.2	2.4	4.6	−1.8	78.5	10.6	11.0	−0.2	100.0
1976.....	57.3	10.5	−0.9	5.8	1.7	4.4	−1.1	77.7	11.3	10.9	0.1	100.0
1977.....	57.7	10.0	−1.0	6.3	1.4	4.3	−1.6	77.1	11.4	11.0	0.4	100.0
1978.....	57.0	11.1	−1.2	6.8	1.6	4.2	−2.0	77.5	11.2	11.1	0.1	100.0
1979.....	56.0	13.2	−1.2	7.3	1.5	4.0	−2.6	78.4	10.7	11.1	−0.1	100.0
1980.....	56.6	12.8	−1.2	7.5	1.4	3.9	−2.4	78.7	10.1	11.1	0.1	100.0
1981.....	56.8	10.3	−1.3	8.0	1.5	3.8	−2.0	77.1	11.6	10.9	0.4	100.0

[1] See note 1 on reference table 10.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 13
Structural Changes in Income
(Per Cent Distribution of Net National Income by Components)
1947 – 1981

Years	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost
1947	63.8	17.5	−2.4	1.8	10.4	14.2	−5.4	100.0
1948	63.6	16.5	−2.1	2.0	11.0	13.0	−4.1	100.0
1949	63.6	15.1	−2.4	2.2	9.1	13.3	−0.8	100.0
1950	62.9	17.9	−2.8	2.7	8.9	12.9	−2.6	100.0
1951	62.6	18.3	−2.2	2.7	10.9	11.5	−3.7	100.0
1952	62.0	15.8	−1.8	2.7	9.6	11.1	0.6	100.0
1953	64.9	14.8	−1.6	2.9	7.3	11.7	0.0	100.0
1954	67.3	13.8	−1.7	3.1	4.6	12.5	0.4	100.0
1955	65.6	15.9	−1.8	3.5	5.1	12.5	−0.8	100.0
1956	66.3	16.1	−1.8	3.6	5.3	11.6	−1.0	100.0
1957	69.1	14.0	−2.0	3.9	3.6	11.7	−0.2	100.0
1958	68.0	13.9	−1.8	4.0	4.2	11.9	−0.2	100.0
1959	69.0	14.3	−1.9	3.8	3.6	11.6	−0.4	100.0
1960	69.8	13.4	−1.7	3.9	3.6	11.1	−0.1	100.0
1961	70.5	13.7	−2.1	4.3	2.8	10.9	−0.1	100.0
1962	69.4	13.7	−1.9	4.4	4.3	10.4	−0.3	100.0
1963	69.0	14.2	−1.9	4.5	4.5	10.3	−0.6	100.0
1964	69.1	15.5	−2.1	4.6	3.5	9.8	−0.4	100.0
1965	70.1	15.3	−2.0	4.6	3.4	9.4	−0.8	100.0
1966	70.5	14.5	−1.8	4.5	4.2	8.9	−0.7	100.0
1967	72.7	13.7	−1.8	4.7	2.5	8.8	−0.7	100.0
1968	72.0	14.2	−1.5	4.8	2.4	8.7	−0.6	100.0
1969	72.6	13.7	−1.4	5.1	2.4	8.6	−1.0	100.0
1970	74.1	12.0	−1.5	5.3	1.9	8.4	−0.3	100.0
1971	74.1	12.3	−1.5	5.5	2.2	8.4	−0.9	100.0
1972	73.5	13.6	−1.3	5.7	2.1	7.7	−1.3	100.0
1973	71.7	16.3	−1.3	5.7	3.2	7.0	−2.5	100.0
1974	71.4	17.6	−1.4	6.7	3.4	6.1	−3.7	100.0
1975	72.9	15.1	−1.4	6.7	3.0	5.9	−2.3	100.0
1976	73.7	13.5	−1.2	7.5	2.2	5.7	−1.4	100.0
1977	74.8	13.0	−1.3	8.2	1.8	5.7	−2.1	100.0
1978	73.6	14.3	−1.6	8.8	2.0	5.4	−2.6	100.0
1979	71.4	17.0	−1.5	9.3	1.9	5.1	−3.3	100.0
1980	71.9	16.3	−1.5	9.5	1.7	5.0	−3.0	100.0
1981	73.7	13.4	−1.7	10.4	1.9	5.0	−2.7	100.0

[1] See note 1 on reference table 10.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 14
Indexes of Real Income
1947 – 1981
(1971 = 100)

Years	Real net national income			Real personal income			Real personal disposable income			Real wages and salaries and supplementary income and military pay		Real average weekly wages and salaries
	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per paid employee	Per employee[1]	
1947	50.9	59.5	49.1	50.2	58.7	48.4	56.6	66.2	54.6	54.7	—	—
1948	51.1	58.8	50.0	49.9	57.4	48.7	56.6	65.1	55.3	54.4	—	—
1949	51.2	59.1	51.7	49.1	56.8	49.6	56.2	64.9	56.7	55.5	—	—
1950	52.8	60.5	54.1	49.5	56.6	50.6	57.0	65.2	58.3	56.8	—	—
1951	55.4	62.7	56.6	51.7	58.4	52.8	58.7	66.4	60.0	57.4	—	—
1952	59.5	67.1	61.8	54.3	61.2	56.4	61.1	68.9	63.4	60.6	—	—
1953	60.0	67.4	63.2	55.7	62.5	58.6	62.4	70.0	65.7	64.2	—	—
1954	57.4	64.3	62.1	54.1	60.5	58.5	60.6	67.8	65.5	65.4	—	—
1955	61.2	68.3	66.5	56.8	63.3	61.6	63.8	71.2	69.3	66.9	—	—
1956	65.4	72.6	69.9	60.3	67.0	64.4	67.5	74.9	72.1	69.7	—	—
1957	64.0	71.2	68.7	60.7	67.6	65.2	67.7	75.4	72.7	70.9	—	—
1958	63.1	70.4	70.1	60.8	67.8	67.5	65.8	76.4	76.1	70.5	—	—
1959	64.0	71.1	70.7	61.9	68.8	68.4	69.2	76.9	76.5	71.5	—	—
1960	64.5	71.3	71.7	63.2	69.9	70.3	70.1	77.6	78.0	72.9	—	—
1961	64.8	72.1	72.4	62.6	69.6	69.9	69.1	76.9	77.2	74.5	74.5	74.0
1962	68.2	75.4	75.5	66.0	72.9	73.1	73.0	80.7	80.9	75.9	75.3	75.2
1963	70.7	77.6	77.9	67.8	74.4	74.7	75.0	82.3	82.6	77.3	76.4	76.6
1964	74.4	81.0	80.5	70.3	76.6	76.1	77.0	83.9	83.4	79.6	78.3	78.5
1965	78.4	84.7	83.2	74.6	80.6	79.2	81.4	88.0	86.5	82.2	80.9	81.0
1966	83.6	89.8	86.8	79.6	85.4	82.6	85.1	91.4	88.4	84.9	84.1	83.0
1967	85.3	90.4	87.7	82.9	87.8	85.2	87.4	92.5	89.8	88.0	87.5	85.7
1968	88.5	92.4	90.7	86.2	90.0	88.3	89.6	93.5	91.8	89.2	89.3	87.9
1969	93.1	95.7	93.8	90.8	93.4	91.5	92.4	95.1	93.1	92.7	92.3	90.7
1970	94.1	95.3	95.1	93.3	94.4	94.2	93.4	94.6	94.4	95.3	95.2	94.3
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.1	105.2	105.2	107.6	105.6	105.6	108.1	106.1	106.1	103.5	103.4	104.3
1973	117.2	112.8	110.8	115.8	111.4	109.5	116.6	112.2	110.2	105.6	105.7	104.5
1974	124.9	118.0	115.0	122.5	115.7	112.8	122.5	115.7	112.8	109.0	108.3	104.2
1975	126.9	117.9	116.6	127.3	118.2	116.9	128.2	119.1	117.7	112.7	112.6	107.6
1976	133.5	121.6	121.7	133.5	121.5	121.6	133.3	121.3	121.5	119.0	119.3	112.4
1977	133.2	119.8	120.7	135.4	121.7	122.7	134.9	121.3	122.2	120.1	119.0	114.7
1978	136.3	120.2	120.6	138.5	122.3	122.6	139.3	122.9	123.3	118.4	118.4	113.4
1979	142.3	122.7	122.1	139.9	120.6	120.1	141.0	121.5	121.0	116.3	116.9	112.8
1980	141.6	119.4	119.5	140.6	118.6	118.7	141.1	119.0	119.1	114.0	115.8	112.4
1981	139.9	115.5	116.3	146.0	120.5	121.4	145.3	119.9	120.8	113.6	114.4	113.4

Reference Table 14 (continued)
Indexes of Real Income
1947 – 1981

Years	Real net national income			Real personal income			Real personal disposable income			Real wages and salaries and supplementary income and military pay		Real average weekly wages and salaries
	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per paid employee	Per employee[1]	
	(Per cent change)											
1948	0.5	−1.2	1.8	−0.6	−2.3	0.6	0.0	−1.6	1.3	−0.5	—	—
1949	0.0	0.5	3.4	−1.5	−1.0	1.9	−0.8	−0.3	2.6	2.0	—	—
1950	3.3	2.3	4.6	0.7	−0.3	2.0	1.4	0.5	2.8	2.3	—	—
1951	4.9	3.6	4.6	4.5	3.2	4.2	3.1	1.9	2.9	1.0	—	—
1952	7.4	7.1	9.2	5.1	4.8	6.8	4.0	3.7	5.8	5.6	—	—
1953	0.8	0.4	2.3	2.6	2.1	4.0	2.1	1.6	3.6	6.0	—	—
1954	−4.4	−4.6	−1.7	−2.9	−3.2	−0.3	−3.0	−3.2	−0.3	1.8	—	—
1955	6.6	6.3	7.0	5.0	4.6	5.4	5.3	5.0	5.7	2.3	—	—
1956	6.8	6.3	5.1	6.2	5.7	4.5	5.8	5.3	4.1	4.3	—	—
1957	−2.2	−1.9	−1.7	0.6	0.9	1.2	0.3	0.6	0.8	1.6	—	—
1958	−1.3	−1.2	2.0	0.2	0.3	3.6	1.3	1.4	4.7	−0.5	—	—
1959	1.4	1.0	0.9	1.8	1.5	1.3	1.0	0.7	0.5	1.4	—	—
1960	0.7	0.3	1.3	2.1	1.7	2.7	1.3	0.8	1.8	1.9	—	—
1961	0.5	1.0	1.1	−1.0	−0.5	−0.5	−1.4	−0.9	−0.9	2.2	—	—
1962	5.3	4.6	4.3	5.5	4.8	4.5	5.6	4.9	4.7	1.9	1.1	1.6
1963	3.7	3.0	3.1	2.8	2.1	2.2	2.8	2.1	2.2	1.9	1.4	1.9
1964	5.2	4.3	3.4	3.7	2.9	1.9	2.7	1.9	0.9	2.9	2.4	2.5
1965	5.4	4.6	3.3	6.1	5.3	4.1	5.7	4.9	3.7	3.3	3.4	3.2
1966	6.7	6.0	4.3	6.7	6.0	4.2	4.6	3.9	2.2	3.3	3.9	2.4
1967	2.0	0.6	1.0	4.2	2.8	3.1	2.6	1.2	1.6	3.6	4.1	3.2
1968	3.7	2.2	3.4	4.0	2.5	3.7	2.6	1.1	2.3	1.4	2.1	2.7
1969	5.1	3.7	3.4	5.3	3.8	3.6	3.1	1.7	1.5	3.9	3.3	3.2
1970	1.1	−0.4	1.4	2.7	1.1	3.0	1.1	−0.5	1.3	2.8	3.1	3.9
1971	6.3	4.9	5.2	7.2	5.9	6.1	7.0	5.7	5.9	4.9	5.1	6.0
1972	7.1	5.2	5.2	7.6	5.6	5.6	8.1	6.1	6.1	3.5	3.4	4.3
1973	9.4	7.3	5.4	7.6	5.5	3.6	7.8	5.8	3.9	2.0	2.3	0.2
1974	6.5	4.5	3.7	5.8	3.8	3.0	5.0	3.1	2.3	3.3	2.5	−0.3
1975	1.7	0.0	1.4	3.9	2.2	3.7	4.7	2.9	4.4	3.4	3.9	3.3
1976	5.2	3.1	4.4	4.9	2.8	4.1	4.0	1.9	3.2	5.5	5.9	4.5
1977	−0.2	−1.5	−0.8	1.5	0.2	0.8	1.3	0.0	0.6	1.0	−0.2	2.0
1978	2.3	0.4	−0.1	2.3	0.4	−0.1	3.3	1.4	0.8	−1.4	−0.5	−1.2
1979	4.4	2.0	1.3	1.0	−1.3	−2.0	1.2	−1.1	−1.8	−1.8	−1.3	−0.5
1980	−0.5	−2.7	−2.2	0.5	−1.7	−1.2	0.1	−2.1	−1.6	−2.0	−0.9	−0.4
1981	−1.2	−3.3	−2.7	3.8	1.6	2.3	3.0	0.8	1.4	−0.4	−1.2	0.9
1947 – 1981	3.0	2.0	2.6	3.2	2.1	2.7	2.8	1.8	2.4	2.2	2.2[2]	2.2[2]
1950 – 1959	2.1	1.8	3.0	2.5	2.2	3.4	2.2	1.9	3.1	2.6	—	—
1960 – 1969	4.2	3.3	3.0	4.1	3.3	3.0	3.1	2.3	2.0	2.7	2.7[3]	2.6[3]
1970 – 1979	4.7	2.8	2.8	4.6	2.7	2.7	4.7	2.8	2.8	2.2	2.3	2.0

[1] "Estimates of employees".
[2] Average from 1961 to 1981.
[3] Average from 1961 to 1969.

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001; *Estimates of Employees by Province and Industry*, monthly, cat. 72-008; *National Income and Expenditure Accounts*, cat. 13-533; *Employment, Earnings and Hours*, monthly, cat. 72-002; and *Census of Canada*, annual, cat. 91-001. Real incomes are computed by dividing the various nominal income measures by the national accounts implicit price index for consumer expenditure. The household data from 1961 to the present, are from Statistics Canada, *Household Equipment*, cat. 64-202, while data prior to 1961 were derived by interpolating the census benchmarks.

Reference Table 15
Personal Income and Expenditure
1947 – 1981

Years	Personal income	Personal disposable income	Personal expenditure	Personal saving	Ratio of personal savings to personal disposable income	Personal disposable income per capita	Personal expenditure per capita
D	40042 40552	40057 40295	40014 40254	40175 40413			
		(Millions of dollars)			(Per cent)	(Dollars)	
1947	10,926	9,964	9,362	544	5.5	794	746
1948	12,592	11,559	10,370	1,138	9.8	901	809
1949	13,396	12,383	11,365	965	7.8	921	845
1950	14,262	13,285	12,482	738	5.6	969	910
1951	16,791	15,435	13,857	1,496	9.7	1,102	989
1952	18,592	16,922	15,162	1,665	9.8	1,170	1,049
1953	19,550	17,718	16,181	1,423	8.0	1,194	1,090
1954	19,717	17,868	16,934	804	4.5	1,169	1,108
1955	21,265	19,331	18,388	797	4.1	1,231	1,171
1956	23,531	21,307	20,090	1,051	4.9	1,325	1,249
1957	25,170	22,714	21,492	1,047	4.6	1,367	1,294
1958	26,651	24,313	22,845	1,278	5.3	1,423	1,338
1959	28,108	25,440	24,390	844	3.3	1,455	1,395
1960	29,595	26,567	25,479	867	3.3	1,487	1,426
1961	30,104	26,904	25,930	745	2.8	1,475	1,422
1962	32,788	29,340	27,452	1,647	5.6	1,579	1,477
1963	34,829	31,168	29,225	1,691	5.4	1,646	1,544
1964	37,282	33,049	31,389	1,383	4.2	1,713	1,627
1965	41,071	36,263	33,947	2,001	5.5	1,846	1,728
1966	46,094	39,901	36,890	2,662	6.7	1,994	1,843
1967	50,579	43,123	39,972	2,736	6.3	2,116	1,962
1968	55,677	46,820	43,704	2,639	5.6	2,262	2,111
1969	61,804	50,911	47,492	2,730	5.4	2,424	2,261
1970	66,633	54,009	50,327	2,872	5.3	2,536	2,363
1971	74,092	59,943	55,616	3,509	5.9	2,779	2,579
1972	83,767	68,100	62,208	5,015	7.4	3,124	2,853
1973	97,832	79,719	71,278	7,230	9.0	3,617	3,234
1974	116,867	94,545	83,388	9,406	9.9	4,228	3,729
1975	136,205	110,996	96,995	12,139	10.9	4,890	4,273
1976	155,343	125,510	110,886	12,560	10.0	5,459	4,823
1977	171,303	138,094	122,530	13,367	9.7	5,938	5,268
1978	190,067	154,623	135,271	16,702	10.8	6,587	5,762
1979	211,394	172,308	150,617	17,806	10.3	7,276	6,360
1980	237,272	192,572	168,146	19,459	10.1	8,045	7,025
1981	276,631	222,750	190,025	25,750	11.6	9,209	7,856

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 16
Personal Income, Canada and by Province
1951 – 1980

Years	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	30303	30304	30305	30306	30307	30308	30309	30310	30311	30312	30313	30315
						(Millions of dollars)						
1951	209	64	533	415	4,085	6,521	938	1,069	1,250	1,665	26	16,791
1952	229	78	604	438	4,558	7,207	1,006	1,213	1,344	1,863	31	18,592
1953	256	65	637	447	4,862	7,681	1,012	1,138	1,417	1,976	34	19,550
1954	272	69	664	468	5,029	7,930	1,002	824	1,346	2,050	39	19,717
1955	292	67	683	489	5,296	8,525	1,073	1,058	1,475	2,242	43	21,265
1956	325	85	732	534	5,840	9,320	1,206	1,205	1,719	2,482	59	23,531
1957	350	77	785	556	6,363	10,211	1,223	1,037	1,749	2,728	59	25,170
1958	361	83	820	585	6,655	10,802	1,352	1,156	1,958	2,786	59	26,651
1959	383	96	874	626	7,005	11,406	1,419	1,200	2,039	2,948	61	28,108
1960	412	97	920	664	7,422	11,923	1,492	1,352	2,134	3,058	63	29,595
1961	440	102	946	671	7,828	12,187	1,436	1,084	2,199	3,091	59	30,104
1962	462	114	995	707	8,446	13,098	1,611	1,529	2,411	3,279	62	32,788
1963	493	116	1,043	751	8,933	13,976	1,647	1,686	2,535	3,509	67	34,829
1964	531	128	1,108	809	9,742	15,030	1,775	1,539	2,652	3,822	70	37,282
1965	604	137	1,181	880	10,685	16,537	1,892	1,789	2,941	4,271	69	41,071
1966	680	151	1,302	979	11,880	18,655	2,039	2,047	3,374	4,817	80	46,094
1967	755	168	1,446	1,067	13,175	20,553	2,280	1,932	3,665	5,348	90	50,579
1968	837	189	1,580	1,183	14,193	22,844	2,523	2,187	4,111	5,837	104	55,677
1969	923	205	1,766	1,295	15,565	25,629	2,704	2,269	4,589	6,645	122	61,804
1970	1,025	229	1,895	1,412	16,682	27,974	2,857	2,133	4,953	7,245	148	66,633
1971	1,143	243	2,100	1,576	18,369	30,966	3,192	2,555	5,534	8,182	158	74,092
1972	1,301	287	2,436	1,810	20,823	34,822	3,564	2,767	6,267	9,417	193	83,767
1973	1,526	355	2,850	2,105	24,067	39,884	4,244	3,673	7,471	11,331	235	97,832
1974	1,903	400	3,375	2,539	28,980	47,060	4,985	4,519	9,019	13,687	293	116,867
1975	2,259	493	3,894	3,080	33,801	53,902	5,865	5,660	10,991	15,787	346	136,205
1976	2,582	547	4,416	3,460	39,204	60,959	6,473	6,199	12,783	18,187	398	155,343
1977	2,848	598	4,913	3,783	43,037	67,164	7,059	6,373	14,575	20,348	459	171,303
1978	3,064	701	5,500	4,176	47,398	74,178	7,759	7,091	16,787	22,749	509	190,067
1979	3,399	765	6,056	4,547	52,434	81,840	8,372	7,869	19,850	25,528	574	211,394
1980	3,679	874	6,692	5,016	59,144	91,002	9,133	8,757	23,030	29,111	665	237,272
						(Per cent change)						
1952	9.6	21.9	13.3	5.5	11.6	10.5	7.2	13.5	7.5	11.9	19.2	10.7
1953	11.8	– 16.7	5.5	2.1	6.7	6.6	0.6	– 6.2	5.4	6.1	9.7	5.2
1954	6.2	6.2	4.2	4.7	3.4	3.2	– 1.0	– 27.6	– 5.0	3.7	14.7	0.9
1955	7.4	– 2.9	2.9	4.5	5.3	7.5	7.1	28.4	9.6	9.4	10.3	7.9
1956	11.3	26.9	7.2	9.2	10.3	9.3	12.4	13.9	16.5	10.7	37.2	10.7
1957	7.7	– 9.4	7.2	4.1	9.0	9.6	1.4	– 13.9	1.7	9.9	0.0	7.0
1958	3.1	7.8	4.5	5.2	4.6	5.8	10.5	11.5	11.9	2.5	0.0	5.9
1959	6.1	15.7	6.6	7.0	5.3	5.6	5.0	3.8	4.1	5.8	3.4	5.5
1960	7.6	1.0	5.3	6.1	6.0	4.5	5.1	12.7	4.7	3.7	3.3	5.3
1961	6.8	5.2	2.8	1.1	5.5	2.2	– 3.8	– 19.8	3.0	1.1	– 6.3	1.7
1962	5.0	11.8	5.2	5.4	7.9	7.5	12.2	41.1	9.6	6.1	5.1	8.9
1963	6.7	1.8	4.8	6.2	5.8	6.7	2.2	10.3	5.1	7.0	8.1	6.2
1964	7.7	10.3	6.2	7.7	9.1	7.5	7.8	– 8.7	4.6	8.9	4.5	7.0
1965	13.7	7.0	6.6	8.8	9.7	10.0	6.6	16.2	10.9	11.7	– 1.4	10.2
1966	12.6	10.2	10.2	11.2	11.2	12.8	7.8	14.4	14.7	12.8	15.9	12.2
1967	11.0	11.3	11.1	9.0	10.9	10.2	11.8	– 5.6	8.6	11.0	12.5	9.7
1968	10.9	12.5	9.3	10.9	7.7	11.1	10.7	13.2	12.2	9.1	15.6	10.1
1969	10.3	8.5	11.8	9.5	9.7	12.2	7.2	3.7	11.6	13.8	17.3	11.0
1970	11.1	11.7	7.3	9.0	7.2	9.1	5.7	– 6.0	7.9	9.0	21.3	7.8
1971	11.5	6.1	10.8	11.6	10.1	10.7	11.7	19.8	11.7	12.9	6.8	11.2
1972	13.8	18.1	16.0	14.8	13.4	12.5	11.7	8.3	13.2	15.1	22.2	13.1
1973	17.3	23.7	17.0	16.3	15.6	14.5	19.1	32.7	19.2	20.3	21.8	16.8
1974	24.7	12.7	18.4	20.6	20.4	18.0	17.5	23.0	20.7	20.8	24.7	19.5
1975	18.7	23.2	15.4	21.3	16.6	14.5	17.7	25.2	21.9	15.3	18.1	16.5
1976	14.3	11.0	13.4	12.3	16.0	13.1	10.4	9.5	16.3	15.2	15.0	14.1
1977	10.3	9.3	11.3	9.3	9.8	10.2	9.1	2.8	14.0	11.9	15.3	10.3
1978	7.6	17.2	11.9	10.4	10.1	10.4	9.9	11.3	15.2	11.8	10.9	11.0
1979	10.9	9.1	10.1	8.9	10.6	10.3	7.9	11.0	18.2	12.2	12.8	11.2
1980	8.2	14.2	10.5	10.3	12.8	11.2	9.1	11.3	16.0	14.0	15.9	12.2

Reference Table 16 (continued)
Personal Income, Canada and by Province
1951 – 1980

Years	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
	(Percentage distribution of total among provinces)											
1951	1.2	0.4	3.2	2.5	24.3	38.8	5.6	6.4	7.4	9.9	0.2	100.0
1952	1.2	0.4	3.2	2.4	24.5	38.8	5.4	6.5	7.2	10.0	0.2	100.0
1953	1.3	0.3	3.3	2.3	24.9	39.3	5.2	5.8	7.2	10.1	0.2	100.0
1954	1.4	0.3	3.4	2.4	25.5	40.2	5.1	4.2	6.8	10.4	0.2	100.0
1955	1.4	0.3	3.2	2.3	24.9	40.1	5.0	5.0	6.9	10.5	0.2	100.0
1956	1.4	0.4	3.1	2.3	24.8	39.6	5.1	5.1	7.3	10.5	0.3	100.0
1957	1.4	0.3	3.1	2.2	25.3	40.6	4.9	4.1	7.0	10.8	0.2	100.0
1958	1.4	0.3	3.1	2.2	25.0	40.5	5.1	4.3	7.3	10.5	0.2	100.0
1959	1.4	0.3	3.1	2.2	24.9	40.6	5.0	4.3	7.3	10.5	0.2	100.0
1960	1.4	0.3	3.1	2.2	25.1	40.3	5.0	4.6	7.2	10.3	0.2	100.0
1961	1.5	0.3	3.1	2.2	26.0	40.5	4.8	3.6	7.3	10.3	0.2	100.0
1962	1.4	0.3	3.0	2.2	25.8	39.9	4.9	4.7	7.4	10.0	0.2	100.0
1963	1.4	0.3	3.0	2.2	25.6	40.1	4.7	4.8	7.3	10.1	0.2	100.0
1964	1.4	0.3	3.0	2.2	26.1	40.3	4.8	4.1	7.1	10.3	0.2	100.0
1965	1.5	0.3	2.9	2.1	26.0	40.3	4.6	4.4	7.2	10.4	0.2	100.0
1966	1.5	0.3	2.8	2.1	25.8	40.5	4.4	4.4	7.3	10.5	0.2	100.0
1967	1.5	0.3	2.9	2.1	26.0	40.6	4.5	3.8	7.2	10.6	0.2	100.0
1968	1.5	0.3	2.8	2.1	25.5	41.0	4.5	3.9	7.4	10.5	0.2	100.0
1969	1.5	0.3	2.9	2.1	25.2	41.5	4.4	3.7	7.4	10.8	0.2	100.0
1970	1.5	0.3	2.8	2.1	25.0	42.0	4.3	3.2	7.4	10.9	0.2	100.0
1971	1.5	0.3	2.8	2.1	24.8	41.8	4.3	3.4	7.5	11.0	0.2	100.0
1972	1.6	0.3	2.9	2.2	24.9	41.6	4.3	3.3	7.5	11.2	0.2	100.0
1973	1.6	0.4	2.9	2.2	24.6	40.8	4.3	3.8	7.6	11.6	0.2	100.0
1974	1.6	0.3	2.9	2.2	24.8	40.3	4.3	3.9	7.7	11.7	0.3	100.0
1975	1.7	0.4	2.9	2.3	24.8	39.6	4.3	4.2	8.1	11.6	0.3	100.0
1976	1.7	0.4	2.8	2.2	25.2	39.2	4.2	4.0	8.2	11.7	0.3	100.0
1977	1.7	0.3	2.9	2.2	25.1	39.2	4.1	3.7	8.5	11.9	0.3	100.0
1978	1.6	0.4	2.9	2.2	24.9	39.0	4.1	3.7	8.8	12.0	0.3	100.0
1979	1.6	0.4	2.9	2.2	24.8	38.7	4.0	3.7	9.4	12.1	0.3	100.0
1980	1.6	0.4	2.8	2.1	24.9	38.4	3.8	3.7	9.7	12.3	0.3	100.0

Note: The Canada figure includes personal income of Canadians temporarily abroad (including pay and allowances of Canadian Armed Forces abroad). The Yukon and the Northwest Territories are included with British Columbia up to 1950.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 17
Personal Income Per Capita, Canada and by Province
1951 – 1980

Years	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	30316	30317	30318	30319	30320	30321	30322	30323	30324	30325	30326	30327
						(Dollars)						
1951	579	653	829	804	1,007	1,418	1,209	1,285	1,331	1,429	1,040	1,199
1952	612	780	925	833	1,092	1,505	1,261	1,439	1,387	1,546	1,240	1,286
1953	668	644	961	839	1,139	1,555	1,251	1,322	1,400	1,583	1,360	1,317
1954	689	683	987	867	1,146	1,550	1,217	944	1,273	1,583	1,444	1,290
1955	719	670	1,000	894	1,172	1,619	1,279	1,205	1,352	1,671	1,483	1,355
1956	783	859	1,053	962	1,262	1,724	1,419	1,368	1,531	1,774	1,903	1,463
1957	825	778	1,120	989	1,334	1,812	1,419	1,178	1,503	1,841	1,903	1,515
1958	836	830	1,157	1,025	1,357	1,856	1,545	1,297	1,624	1,811	1,788	1,560
1959	869	951	1,216	1,076	1,394	1,911	1,593	1,323	1,634	1,881	1,794	1,608
1960	920	942	1,265	1,127	1,443	1,951	1,647	1,478	1,653	1,909	1,750	1,656
1961	961	971	1,284	1,122	1,488	1,954	1,557	1,172	1,651	1,897	1,595	1,651
1962	987	1,065	1,334	1,169	1,573	2,062	1,721	1,644	1,761	1,975	1,550	1,764
1963	1,036	1,074	1,389	1,233	1,630	2,156	1,736	1,807	1,807	2,065	1,634	1,840
1964	1,099	1,174	1,468	1,324	1,745	2,267	1,851	1,634	1,856	2,190	1,667	1,933
1965	1,238	1,257	1,562	1,431	1,880	2,436	1,961	1,883	2,028	2,377	1,683	2,091
1966	1,379	1,385	1,722	1,587	2,055	2,680	2,117	2,143	2,306	2,570	1,860	2,303
1967	1,513	1,541	1,903	1,721	2,247	2,884	2,368	2,019	2,460	2,750	2,045	2,482
1968	1,654	1,718	2,060	1,893	2,394	3,146	2,598	2,278	2,698	2,914	2,311	2,690
1969	1,796	1,847	2,279	2,062	2,601	3,470	2,762	2,368	2,944	3,226	2,596	2,943
1970	1,983	2,082	2,423	2,252	2,774	3,705	2,906	2,267	3,105	3,405	2,960	3,129
1971	2,190	2,189	2,662	2,482	3,047	4,020	3,231	2,759	3,399	3,745	2,981	3,435
1972	2,455	2,540	3,064	2,828	3,440	4,459	3,596	3,027	3,782	4,202	3,386	3,842
1973	2,842	3,114	3,545	3,253	3,959	5,043	4,261	4,059	4,421	4,922	3,917	4,438
1974	3,518	3,478	4,156	3,882	4,733	5,843	4,950	5,021	5,238	5,761	4,883	5,226
1975	4,115	4,214	4,749	4,632	5,470	6,596	5,784	6,240	6,182	6,489	5,492	6,001
1976	4,627	4,636	5,327	5,111	6,288	7,376	6,334	6,731	6,955	7,372	6,219	6,756
1977	5,050	4,983	5,884	5,507	6,857	8,039	6,860	6,801	7,683	8,159	7,172	7,365
1978	5,385	5,746	6,532	6,009	7,556	8,785	7,504	7,480	8,591	8,992	7,831	8,096
1979	5,922	6,220	7,142	6,486	8,337	9,624	8,112	8,197	9,856	9,929	8,831	8,927
1980	6,343	7,048	7,845	7,085	9,370	10,614	8,876	9,028	11,067	11,027	10,231	9,913
						(Per cent change)						
1951	9.1	13.5	7.1	10.2	12.7	12.5	14.5	48.3	27.2	10.0	n.a.	15.2
1952	5.8	19.4	11.6	3.5	8.4	6.1	4.3	12.0	3.8	8.2	19.2	7.3
1953	9.2	– 17.5	3.9	0.7	4.3	3.3	– 0.8	– 8.1	1.4	2.4	9.7	2.4
1954	3.0	6.2	2.7	3.3	0.6	– 0.3	– 2.7	– 28.6	– 9.1	– 0.2	6.2	– 2.1
1955	4.4	– 1.9	1.4	3.2	2.3	4.4	5.0	27.7	6.2	5.5	2.7	5.0
1956	8.9	28.1	5.3	7.6	7.6	6.5	– 0.2	13.5	13.2	6.2	28.4	8.0
1957	5.4	– 9.4	6.3	2.8	5.7	5.1	0.0	– 13.9	– 1.8	3.8	0.0	3.6
1958	1.2	6.7	3.3	3.6	1.7	2.4	8.9	10.1	8.1	– 1.6	– 6.1	3.0
1959	3.9	14.5	5.1	5.0	2.7	3.0	3.1	2.0	0.6	3.9	0.3	3.0
1960	5.9	– 0.9	4.1	4.8	3.5	2.1	3.4	11.7	1.2	1.5	– 2.5	3.0
1961	4.5	3.2	1.4	– 0.5	3.1	0.2	– 5.4	– 20.7	– 0.1	– 0.6	– 8.9	– 0.3
1962	2.8	9.7	3.9	4.1	5.6	5.5	10.5	40.3	6.7	4.1	– 2.8	6.9
1963	4.9	0.8	4.1	5.5	3.6	4.6	0.8	9.9	2.6	4.6	5.4	4.3
1964	6.1	9.3	5.7	7.4	7.0	5.1	6.6	– 9.6	2.7	6.0	2.0	5.1
1965	12.6	7.0	6.4	8.1	7.7	7.5	5.9	15.3	9.3	8.5	1.0	8.2
1966	11.4	10.2	10.2	10.9	9.3	10.0	8.0	13.8	13.7	8.1	10.5	10.1
1967	9.7	11.3	10.5	8.5	9.3	7.6	11.8	– 5.8	6.7	7.0	9.9	7.8
1968	9.3	11.5	8.3	10.0	6.6	9.1	9.7	12.8	9.7	6.0	13.0	8.4
1969	8.6	7.5	10.6	8.9	8.6	10.3	6.3	4.0	9.1	10.7	12.3	9.4
1970	10.4	12.7	6.3	9.2	6.7	6.8	5.2	– 4.3	5.5	5.5	14.0	6.3
1971	10.4	5.2	9.8	10.2	9.8	8.5	11.2	21.7	9.5	10.0	0.7	9.8
1972	12.1	16.0	15.1	14.0	12.9	10.9	11.3	9.7	11.3	12.2	13.6	11.8
1973	15.8	22.6	15.7	15.0	15.1	13.1	18.5	34.1	16.9	17.1	15.7	15.5
1974	23.8	11.7	17.3	19.3	19.5	15.9	16.2	23.7	18.5	17.0	24.7	17.7
1975	17.0	21.1	14.3	19.3	15.6	12.9	16.8	24.3	18.0	12.6	12.5	14.8
1976	12.5	10.0	12.2	10.3	14.9	11.8	9.5	7.9	12.5	13.6	13.2	12.6
1977	9.1	7.5	10.5	7.7	9.1	9.0	8.3	1.1	10.5	10.7	15.3	9.0
1978	6.6	15.3	11.0	9.1	10.2	9.3	9.4	10.0	11.8	10.2	9.2	9.9
1979	10.0	8.2	9.3	8.0	10.3	9.6	8.1	9.6	14.7	10.4	12.8	10.3
1980	7.1	13.3	9.9	9.2	12.4	10.3	9.4	10.1	12.3	11.1	15.9	11.0

Reference Table 17 (continued)
Personal Income Per Capita, Canada and by Province
1951 – 1980

Years	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
	(Personal income per capita, by province, as a percentage of personal income per capita at the national level)											
1951	48.3	54.5	69.2	67.1	84.0	118.3	100.8	107.2	110.6	119.2	86.8	100.0
1952	47.6	60.7	71.9	64.8	84.9	117.1	98.0	111.9	107.4	120.2	96.4	100.0
1953	50.8	48.9	73.0	63.7	86.5	118.0	95.0	100.4	106.3	120.2	103.3	100.0
1954	53.4	53.0	76.5	67.2	88.9	120.2	94.4	73.2	98.7	122.7	112.0	100.0
1955	53.1	49.5	73.8	66.0	86.6	119.5	94.4	89.0	99.8	123.3	109.5	100.0
1956	53.5	58.7	72.0	65.8	86.2	117.8	97.0	93.5	104.6	121.2	130.1	100.0
1957	54.5	51.3	73.9	65.3	88.0	119.6	93.6	77.8	99.2	121.5	125.6	100.0
1958	53.6	53.2	74.1	65.7	87.0	118.9	99.0	83.1	104.0	116.1	114.6	100.0
1959	54.0	59.1	75.6	66.9	86.7	118.9	99.1	82.3	101.6	117.0	111.6	100.0
1960	55.5	56.9	76.4	68.1	87.2	117.8	99.4	89.2	99.8	115.3	105.7	100.0
1961	58.2	58.9	77.8	68.0	90.2	118.4	94.4	71.0	100.0	115.0	96.6	100.0
1962	55.9	60.4	75.6	66.2	89.1	116.9	97.5	93.2	99.8	112.0	87.8	100.0
1963	56.3	58.4	75.5	67.0	88.6	117.2	94.3	98.2	98.2	112.3	88.8	100.0
1964	56.9	60.8	75.9	68.5	90.3	117.3	95.8	84.5	96.0	113.3	86.2	100.0
1965	59.2	60.1	74.7	68.4	89.9	116.5	93.8	90.1	97.0	113.7	80.5	100.0
1966	59.9	60.2	74.8	68.9	89.2	116.4	91.9	93.1	100.1	111.6	80.8	100.0
1967	61.0	62.1	76.7	69.3	90.5	116.2	95.4	81.3	99.1	110.8	82.4	100.0
1968	61.5	63.9	76.6	70.4	89.0	117.0	96.6	84.7	100.3	108.3	85.9	100.0
1969	61.0	62.8	77.4	70.1	88.4	117.9	93.9	80.5	100.0	109.6	88.2	100.0
1970	63.4	66.5	77.5	72.0	88.7	118.4	92.9	72.4	99.3	108.8	94.6	100.0
1971	63.7	63.7	77.5	72.2	88.7	117.0	94.0	80.3	99.0	109.0	86.8	100.0
1972	63.9	66.1	79.8	73.6	89.5	116.0	93.6	78.8	98.4	109.4	88.1	100.0
1973	64.0	70.2	79.9	73.3	89.2	113.6	96.0	91.4	99.6	110.9	88.2	100.0
1974	67.3	66.6	79.5	74.3	90.6	111.8	94.7	96.1	100.2	110.2	93.4	100.0
1975	68.6	70.2	79.1	77.2	91.2	109.9	96.4	104.0	103.0	108.1	91.5	100.0
1976	68.5	68.6	78.8	75.6	93.1	109.2	93.7	99.6	102.9	109.1	92.0	100.0
1977	68.6	67.7	79.9	74.8	93.1	109.1	93.1	92.3	104.3	110.8	97.4	100.0
1978	66.5	71.0	80.7	74.2	93.3	108.5	92.7	92.4	106.1	111.1	96.7	100.0
1979	66.3	69.7	80.0	72.7	93.4	107.8	90.9	91.8	110.4	111.2	98.9	100.0
1980	64.0	71.1	79.1	71.5	94.5	107.1	89.5	91.1	111.6	111.2	103.2	100.0

Note: Personal income per capita is obtained by dividing Personal Income by Population as of June. Per cent changes are calculated from unrounded data.
Source: Statistics Canada, *Estimates of Population for Canada and Provinces at June 1; National Income and Expenditure Accounts.*

Reference Table 18
Value of Retail Trade, Canada and by Region
1950 – 1981[1]

Years	Motor vehicle dealers	All other types of business	Total all stores					
			Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia[2]
	(Millions of dollars)							
1950	1,505	8,112	9,617	822	2,183	3,715	1,914	982
1951	1,884	8,809	10,693	899	2,443	4,130	2,122	1,100
1952	2,105	9,462	11,567	971	2,658	4,409	2,340	1,190
1953	2,303	9,886	12,189	1,004	2,793	4,666	2,485	1,241
1954	2,055	10,262	12,317	1,024	2,868	4,762	2,391	1,274
1955	2,415	11,058	13,473	1,125	3,109	5,296	2,496	1,447
1956	2,598	12,176	14,774	1,209	3,463	5,734	2,728	1,640
1957	2,547	12,876	15,423	1,233	3,710	5,943	2,855	1,683
1958	2,485	13,654	16,139	1,287	3,854	6,271	3,021	1,705
1959	2,701	14,386	17,087	1,356	4,114	6,615	3,208	1,793
1960	2,650	14,741	17,391	1,421	4,213	6,751	3,250	1,755
1961	2,599	15,154	17,752	1,456	4,490	6,808	3,238	1,760
1961	2,599	13,474	16,073	1,381	4,108	6,207	2,774	1,604
1962	2,957	14,180	17,137	1,429	4,486	6,526	2,945	1,751
1963	3,312	14,895	18,207	1,511	4,770	6,948	3,098	1,880
1964	3,612	15,881	19,493	1,616	5,120	7,366	3,305	2,086
1965	4,175	16,979	21,155	1,762	5,534	8,043	3,509	2,307
1966	4,338	18,349	22,686	1,861	5,882	8,625	3,811	2,507
1967	4,433	19,722	24,155	1,979	6,379	9,091	4,058	2,648
1968	4 714	20,997	25,711	2,135	6,565	9,885	4,267	2,859
1969	4,796	22,606	27,401	2,191	6,962	10,588	4,494	3,165
1970	4,197	23,837	28,034	2,295	7,074	10,885	4,520	3,260
1971	4,925	25,722	30,646	2,532	7,681	11,877	4,924	3,632
1972	6,240	27,846	34,086	2,786	8,612	13,058	5,568	4,062
1973	7,422	30,891	38,313	3,095	9,697	14,505	6,281	4,735
1974	8,303	36,435	44,739	3,638	11,385	16,570	7,603	5,543
1975	10,184	41,178	51,361	4,167	13,020	19,151	8,955	6,068
1976	11,058	46,070	57,128	4,625	14,448	21,057	10,183	6,815
1977	11,750	49,873	61,623	4,921	15,563	22,719	10,967	7,452
1978	13,480	55,299	68,778	5,615	17,196	25,186	12,355	8,426
1979	15,421	61,604	77,025	6,295	19,625	27,515	14,191	9,399
1980	15,698	68,328	84,026	6,628	20,895	29,666	16,027	10,810
1981	16,692	77,845	94,537	7,243	22,784	33,809	18,356	12,345

Note: Figures may not cross-add due to rounding.

[1] Retail trade data prior to 1975 were based on samples of retail firms benchmarked to census information; there were overlaps of data benchmarked to different census years. Beginning with 1975, and extended back to 1971, retail trade data were obtained from a sample of firms derived from non-census information and these data are not comparable to earlier data. Data prior to 1961 were based on the 1948 Standard Industrial Classification, and the more recent data are based on the 1960 S.I.C.

[2] Includes the Yukon and Northwest Territories.

Source: Statistics Canada, *Retail Trade*, cat. 63-005.

Reference Table 19
Private and Public Investment in Canada
1956 – 1981

Years	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
	Primary and construction industries					Manufacturing				
	(Millions of dollars)									
1956	534	772	1,306	475	1,781	488	906	1,394	578	1,972
1957	544	702	1,246	461	1,707	520	959	1,479	613	2,092
1958	378	619	997	468	1,465	398	697	1,095	572	1,667
1959	396	678	1,074	517	1,591	374	770	1,144	662	1,806
1960	451	683	1,134	522	1,656	335	843	1,178	671	1,849
1961	572	639	1,211	512	1,723	279	806	1,085	682	1,767
1962	568	738	1,306	536	1,842	353	916	1,269	750	2,019
1963	599	879	1,478	586	2,064	355	1,003	1,358	801	2,159
1964	702	1,051	1,753	660	2,413	443	1,388	1,831	896	2,727
1965	869	1,151	2,020	724	2,744	604	1,736	2,340	974	3,314
1966	1,066	1,348	2,414	796	3,210	788	2,126	2,914	1,096	4,010
1967	1,069	1,427	2,496	854	3,350	677	1,857	2,534	1,156	3,690
1968	1,086	1,341	2,427	914	3,341	657	1,542	2,199	1,232	3,431
1969	1,203	1,323	2,526	985	3,511	772	1,828	2,600	1,306	3,906
1970	1,284	1,268	2,552	1,112	3,664	997	2,226	3,223	1,417	4,640
1971	1,605	1,508	3,113	1,212	4,325	873	2,121	2,994	1,483	4,477
1972	1,528	1,785	3,313	1,304	4,617	829	2,119	2,948	1,657	4,605
1973	1,756	2,102	3,858	1,582	5,439	986	2,682	3,668	1,919	5,587
1974	2,184	2,529	4,713	1,899	6,612	1,425	3,525	4,950	2,310	7,260
1975	2,619	3,205	5,824	2,198	8,022	1,569	3,953	5,522	2,445	7,967
1976	3,094	4,168	7,262	2,540	9,802	1,440	4,026	5,465	2,891	8,357
1977	3,683	4,219	7,902	2,772	10,674	1,659	4,422	6,081	3,216	9,297
1978	4,058	4,440	8,498	2,972	11,469	1,544	4,635	6,178	3,596	9,774
1979	5,798	5,510	11,308	3,629	14,937	1,611	5,833	7,444	4,098	11,541
1980	7,934	6,135	14,070	3,901	17,971	2,053	7,453	9,505	4,572	14,077
1981	9,555	7,008	16,563	4,220	20,783	2,523	9,183	11,706	5,103	16,809
	Utilities					Trade, finance and commercial services				
	(Millions of dollars)									
1956	1,086	676	1,762	640	2,402	327	284	611	138	749
1957	1,475	833	2,308	677	2,985	383	307	690	146	836
1958	1,405	748	2,153	650	2,803	396	309	705	146	851
1959	1,118	724	1,842	703	2,545	462	371	833	168	1,001
1960	1,074	698	1,772	713	2,485	466	409	875	168	1,043
1961	1,088	610	1,698	723	2,421	451	396	847	162	1,009
1962	982	619	1,601	734	2,335	438	422	860	164	1,024
1963	1,111	660	1,771	774	2,545	468	450	918	183	1,101
1964	1,332	727	2,059	822	2,881	548	494	1,042	195	1,237
1965	1,443	980	2,423	867	3,290	705	564	1,269	220	1,489
1966	1,666	1,260	2,926	945	3,871	860	667	1,527	248	1,775
1967	1,748	1,397	3,145	1,019	4,164	764	770	1,534	272	1,806
1968	1,774	1,446	3,220	1,070	4,290	710	762	1,472	300	1,772
1969	1,719	1,586	3,305	1,113	4,418	704	952	1,656	299	1,955
1970	2,044	1,584	3,628	1,218	4,846	760	985	1,745	323	2,068
1971	2,228	1,760	3,988	1,318	5,306	901	1,014	1,915	324	2,239
1972	2,357	1,872	4,229	1,424	5,653	1,212	1,430	2,642	355	2,997
1973	2,673	2,484	5,157	1,617	6,774	1,685	1,759	3,445	420	3,864
1974	3,154	3,087	6,241	2,002	8,243	2,184	2,145	4,329	510	4,839
1975	4,403	3,630	8,033	2,229	10,262	2,768	2,448	5,216	591	5,807
1976	4,426	3,828	8,254	2,588	10,842	2,724	2,546	5,270	724	5,994
1977	5,073	4,115	9,188	2,948	12,136	2,605	2,730	5,335	775	6,110
1978	5,626	4,900	10,526	3,393	13,918	2,925	3,402	6,327	912	7,239
1979	6,184	5,576	11,760	3,830	15,590	3,932	4,516	8,449	1,099	9,548
1980	6,701	6,377	13,077	4,233	17,310	4,527	4,820	9,347	1,106	10,453
1981	8,482	7,440	15,923	4,624	20,547	5,257	5,488	10,745	1,186	11,931

Reference Table 19 (continued)
Private and Public Investment in Canada
1956 – 1981

Years	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Subtotal			Construction	Machinery and equipment	Subtotal		
	Institutions					Housing[1]				
	(Millions of dollars)									
1956	359	43	402	52	454	1,547	—	1,547	355	1,902
1957	407	47	454	56	510	1,430	—	1,430	383	1,813
1958	457	57	514	57	571	1,782	—	1,782	407	2,189
1959	479	57	536	59	595	1,752	—	1,752	431	2,183
1960	500	73	573	71	644	1,456	—	1,456	457	1,913
1961	536	81	617	78	695	1,467	—	1,467	484	1,951
1962	729	105	834	76	910	1,587	—	1,587	513	2,100
1963	757	116	873	75	948	1,713	—	1,713	544	2,257
1964	648	123	771	79	850	2,028	—	2,028	577	2,605
1965	867	145	1,012	82	1,094	2,133	—	2,133	618	2,751
1966	1,020	184	1,204	93	1,297	2,181	—	2,181	661	2,842
1967	1,107	208	1,315	113	1,428	2,352	—	2,352	713	3,065
1968	1,197	225	1,422	118	1,540	2,806	—	2,806	780	3,586
1969	1,134	209	1,343	133	1,476	3,384	—	3,384	844	4,228
1970	1,095	216	1,311	134	1,445	3,138	—	3,138	871	4,009
1971	1,199	236	1,435	152	1,587	4,025	—	4,025	951	4,976
1972	993	225	1,218	168	1,386	4,820	—	4,820	1,051	5,871
1973	914	228	1,142	175	1,316	5,978	—	5,978	1,188	7,165
1974	1,064	275	1,338	199	1,537	7,010	—	7,010	1,451	8,461
1975	1,191	293	1,484	224	1,708	7,114	—	7,114	1,576	8,690
1976	1,168	317	1,485	256	1,741	10,853	—	10,853	1,817	12,669
1977	1,180	335	1,514	313	1,827	11,065	—	11,065	2,061	13,126
1978	1,181	362	1,542	344	1,886	11,450	—	11,450	2,329	13,780
1979	1,328	363	1,690	369	2,059	11,617	—	11,617	2,649	14,267
1980	1,572	392	1,965	407	2,371	10,950	—	10,950	2,826	13,776
1981	1,731	412	2,143	439	2,582	12,304	—	12,304	3,113	15,417
	Government departments					Total				
	(Millions of dollars)									
1956	932	80	1,012	282	1,294	5,273	2,761	8,034	2,520	10,554
1957	1,025	85	1,110	288	1,398	5,784	2,933	8,717	2,624	11,341
1958	1,014	104	1,118	314	1,432	5,830	2,534	8,364	2,614	10,978
1959	1,128	108	1,236	341	1,577	5,709	2,708	8,417	2,881	11,298
1960	1,171	103	1,274	383	1,657	5,453	2,809	8,262	2,985	11,247
1961	1,125	122	1,247	380	1,627	5,518	2,654	8,172	3,021	11,193
1962	1,130	128	1,258	388	1,646	5,787	2,928	8,715	3,161	11,876
1963	1,154	128	1,282	393	1,675	6,157	3,236	9,393	3,356	12,749
1964	1,303	157	1,460	402	1,862	7,004	3,940	10,944	3,631	14,575
1965	1,494	174	1,668	442	2,110	8,115	4,750	12,865	3,927	16,792
1966	1,702	222	1,924	526	2,450	9,283	5,807	15,090	4,365	19,455
1967	1,731	215	1,946	573	2,519	9,448	5,874	15,322	4,700	20,022
1968	1,679	230	1,909	604	2,513	9,909	5,546	15,455	5,018	20,473
1969	1,908	205	2,113	583	2,696	10,824	6,103	16,927	5,263	22,190
1970	2,001	200	2,201	592	2,793	11,319	6,479	17,798	5,667	23,465
1971	2,443	271	2,714	620	3,334	13,274	6,910	20,184	6,060	26,244
1972	2,731	317	3,048	615	3,663	14,470	7,748	22,218	6,574	28,792
1973	2,962	410	3,372	708	4,080	16,953	9,666	26,618	7,608	34,226
1974	3,751	551	4,302	819	5,121	20,771	12,111	32,882	9,189	42,072
1975	4,392	633	5,025	892	5,917	24,055	14,162	38,216	10,155	48,371
1976	4,440	607	5,047	960	6,007	28,144	15,492	43,636	11,775	55,411
1977	4,865	648	5,513	1,085	6,598	30,130	16,467	46,598	13,170	59,767
1978	5,129	710	5,839	1,151	6,990	31,912	18,448	50,360	14,696	65,055
1979	5,377	710	6,087	1,300	7,387	35,847	22,508	58,354	16,974	75,328
1980	5,725	773	6,499	1,382	7,881	39,461	25,951	65,412	18,428	83,839
1981	6,273	867	7,140	1,502	8,642	46,126	30,397	76,523	20,187	96,710

Note: 1980 figures are actual, 1981 figures are preliminary actual.

(1) Totals differ from housing expenditures as shown in reference tables 3 to 6, in that the national income and expenditure totals include selling costs, principally real estate commissions.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, occasional, cat. 61-504; Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, annual, cat. 61-206.

Reference Table 20
Private and Public Investment in Canada
1956 – 1981

Years	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Subtotal			Construction	Machinery and equipment	Subtotal		
	Primary and construction industries					Manufacturing				
	(Percentage distribution)									
1956	30.0	43.3	73.3	26.7	100.0	24.7	45.9	70.7	29.3	100.0
1957	31.9	41.1	73.0	27.0	100.0	24.9	45.8	70.7	29.3	100.0
1958	25.8	42.3	68.1	31.9	100.0	23.9	41.8	65.7	34.3	100.0
1959	24.9	42.6	67.5	32.5	100.0	20.7	42.6	63.3	36.7	100.0
1960	27.2	41.2	68.5	31.5	100.0	18.1	45.6	63.7	36.3	100.0
1961	33.2	37.1	70.3	29.7	100.0	15.8	45.6	61.4	38.6	100.0
1962	30.8	40.1	70.9	29.1	100.0	17.5	45.4	62.9	37.1	100.0
1963	29.0	42.6	71.6	28.4	100.0	16.4	46.5	62.9	37.1	100.0
1964	29.1	43.6	72.6	27.4	100.0	16.2	50.9	67.1	32.9	100.0
1965	31.7	41.9	73.6	26.4	100.0	18.2	52.4	70.6	29.4	100.0
1966	33.2	42.0	75.2	24.8	100.0	19.7	53.0	72.7	27.3	100.0
1967	31.9	42.6	74.5	25.5	100.0	18.3	50.3	68.7	31.3	100.0
1968	32.5	40.1	72.6	27.4	100.0	19.1	44.9	64.1	35.9	100.0
1969	34.3	37.7	71.9	28.1	100.0	19.8	46.8	66.6	33.4	100.0
1970	35.0	34.6	69.7	30.3	100.0	21.5	48.0	69.5	30.5	100.0
1971	37.1	34.9	72.0	28.0	100.0	19.5	47.4	66.9	33.1	100.0
1972	33.1	38.7	71.8	28.2	100.0	18.0	46.0	64.0	36.0	100.0
1973	32.3	38.6	70.9	29.1	100.0	17.6	48.0	65.7	34.3	100.0
1974	33.0	38.2	71.3	28.7	100.0	19.6	48.6	68.2	31.8	100.0
1975	32.7	40.0	72.6	27.4	100.0	19.7	49.6	69.3	30.7	100.0
1976	31.6	42.5	74.1	25.9	100.0	17.2	48.2	65.4	34.6	100.0
1977	34.5	39.5	74.0	26.0	100.0	17.8	47.6	65.4	34.6	100.0
1978	35.4	38.7	74.1	25.9	100.0	15.8	47.4	63.2	36.8	100.0
1979	38.8	36.9	75.7	24.3	100.0	14.0	50.5	64.5	35.5	100.0
1980	44.2	34.1	78.3	21.7	100.0	14.6	52.9	67.5	32.5	100.0
1981	46.0	33.7	79.7	20.3	100.0	15.0	54.6	69.6	30.4	100.0
	Utilities					Trade, finance and commercial services				
	(Percentage distribution)									
1956	45.2	28.1	73.4	26.6	100.0	43.7	37.9	81.6	18.4	100.0
1957	49.4	27.9	77.3	22.7	100.0	45.8	36.7	82.5	17.5	100.0
1958	50.1	26.7	76.8	23.2	100.0	46.5	36.3	82.8	17.2	100.0
1959	43.9	28.4	72.4	27.6	100.0	46.2	37.1	83.2	16.8	100.0
1960	43.2	28.1	71.3	28.7	100.0	44.7	39.2	83.9	16.1	100.0
1961	44.9	25.2	70.1	29.9	100.0	44.7	39.2	83.9	16.1	100.0
1962	42.1	26.5	68.6	31.4	100.0	42.8	41.2	84.0	16.0	100.0
1963	43.7	25.9	69.6	30.4	100.0	42.5	40.9	83.4	16.6	100.0
1964	46.2	25.2	71.5	28.5	100.0	44.3	39.9	84.2	15.8	100.0
1965	43.9	29.8	73.6	26.4	100.0	47.3	37.9	85.2	14.8	100.0
1966	43.0	32.5	75.6	24.4	100.0	48.5	37.6	86.0	14.0	100.0
1967	42.0	33.5	75.5	24.5	100.0	42.3	42.6	84.9	15.1	100.0
1968	41.4	33.7	75.1	24.9	100.0	40.1	43.0	83.1	16.9	100.0
1969	38.9	35.9	74.8	25.2	100.0	36.0	48.7	84.7	15.3	100.0
1970	42.2	32.7	74.9	25.1	100.0	36.8	47.6	84.4	15.6	100.0
1971	42.0	33.2	75.2	24.8	100.0	40.2	45.3	85.5	14.5	100.0
1972	41.7	33.1	74.8	25.2	100.0	40.4	47.7	88.2	11.8	100.0
1973	39.5	36.7	76.1	23.9	100.0	43.6	45.5	89.1	10.9	100.0
1974	38.3	37.4	75.7	24.3	100.0	45.1	44.3	89.5	10.5	100.0
1975	42.9	35.4	78.3	21.7	100.0	47.7	42.2	89.8	10.2	100.0
1976	40.8	35.3	76.1	23.9	100.0	45.4	42.5	87.9	12.1	100.0
1977	41.8	33.9	75.7	24.3	100.0	42.6	44.7	87.3	12.7	100.0
1978	40.4	35.2	75.6	24.4	100.0	40.4	47.0	87.4	12.6	100.0
1979	39.7	35.8	75.4	24.6	100.0	41.2	47.3	88.5	11.5	100.0
1980	38.7	36.8	75.5	24.5	100.0	43.3	46.1	89.4	10.6	100.0
1981	41.3	36.2	77.5	22.5	100.0	44.1	46.0	90.1	9.9	100.0

Reference Table 20 (continued)
Private and Public Investment in Canada
1956 – 1981

Years	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Subtotal			Construction	Machinery and equipment	Subtotal		
	Institutions					Housing[1]				
	(Percentage distribution)									
1956	79.1	9.5	88.5	11.5	100.0	81.3	—	81.3	18.7	100.0
1957	79.8	9.2	89.0	11.0	100.0	78.9	—	78.9	21.1	100.0
1958	80.0	10.0	90.0	10.0	100.0	81.4	—	81.4	18.6	100.0
1959	80.5	9.6	90.1	9.9	100.0	80.3	—	80.3	19.7	100.0
1960	77.6	11.3	89.0	11.0	100.0	76.1	—	76.1	23.9	100.0
1961	77.1	11.7	88.8	11.2	100.0	75.2	—	75.2	24.8	100.0
1962	80.1	11.5	91.6	8.4	100.0	75.6	—	75.6	24.4	100.0
1963	79.9	12.2	92.1	7.9	100.0	75.9	—	75.9	24.1	100.0
1964	76.2	14.5	90.7	9.3	100.0	77.9	—	77.9	22.1	100.0
1965	79.3	13.3	92.5	7.5	100.0	77.5	—	77.5	22.5	100.0
1966	78.6	14.2	92.8	7.2	100.0	76.7	—	76.7	23.3	100.0
1967	77.5	14.6	92.1	7.9	100.0	76.7	—	76.7	23.3	100.0
1968	77.7	14.6	92.3	7.7	100.0	78.2	—	78.2	21.8	100.0
1969	76.8	14.2	91.0	9.0	100.0	80	—	80.0	20.0	100.0
1970	75.8	14.9	90.7	9.3	100.0	78.3	—	78.3	21.7	100.0
1971	75.6	14.9	90.4	9.6	100.0	80.9	—	80.9	19.1	100.0
1972	71.6	16.2	87.9	12.1	100.0	82.1	—	82.1	17.9	100.0
1973	69.4	17.3	86.7	13.3	100.0	83.4	—	83.4	16.6	100.0
1974	69.2	17.9	87.1	12.9	100.0	82.9	—	82.9	17.1	100.0
1975	69.7	17.2	86.9	13.1	100.0	81.9	—	81.9	18.1	100.0
1976	67.1	18.2	85.3	14.7	100.0	85.7	—	85.7	14.3	100.0
1977	64.6	18.3	82.9	17.1	100.0	84.3	—	84.3	15.7	100.0
1978	62.6	19.2	81.8	18.2	100.0	83.1	—	83.1	16.9	100.0
1979	64.5	17.6	82.1	17.9	100.0	81.4	—	81.4	18.6	100.0
1980	66.3	16.5	82.9	17.1	100.0	79.5	—	79.5	20.5	100.0
1981	67.1	16.0	83.0	17.0	100.0	79.8	—	79.8	20.2	100.0
	Government departments					Total				
	(Percentage distribution)									
1956	72.0	6.2	78.2	21.8	100.0	50.0	26.2	76.1	23.9	100.0
1957	73.3	6.1	79.4	20.6	100.0	51.0	25.9	76.9	23.1	100.0
1958	70.8	7.3	78.1	21.9	100.0	53.1	23.1	76.2	23.8	100.0
1959	71.5	6.8	78.4	21.6	100.0	50.5	24.0	74.5	25.5	100.0
1960	70.7	6.2	76.9	23.1	100.0	48.5	25.0	73.5	26.5	100.0
1961	69.1	7.5	76.6	23.4	100.0	49.3	23.7	73.0	27.0	100.0
1962	68.7	7.8	76.4	23.6	100.0	48.7	24.7	73.4	26.6	100.0
1963	68.9	7.6	76.5	23.5	100.0	48.3	25.4	73.7	26.3	100.0
1964	70.0	8.4	78.4	21.6	100.0	48.1	27.0	75.1	24.9	100.0
1965	70.8	8.2	79.1	20.9	100.0	48.3	28.3	76.6	23.4	100.0
1966	69.5	9.1	78.5	21.5	100.0	47.7	29.8	77.6	22.4	100.0
1967	68.7	8.5	77.3	22.7	100.0	47.2	29.3	76.5	23.5	100.0
1968	66.8	9.2	76.0	24.0	100.0	48.4	27.1	75.5	24.5	100.0
1969	70.8	7.6	78.4	21.6	100.0	48.8	27.5	76.3	23.7	100.0
1970	71.6	7.2	78.8	21.2	100.0	48.2	27.6	75.9	24.1	100.0
1971	73.3	8.1	81.4	18.6	100.0	50.6	26.3	76.9	23.1	100.0
1972	74.6	8.7	83.2	16.8	100.0	50.3	26.9	77.2	22.8	100.0
1973	72.6	10.0	82.6	17.4	100.0	49.5	28.2	77.8	22.2	100.0
1974	73.2	10.8	84.0	16.0	100.0	49.4	28.8	78.2	21.8	100.0
1975	74.2	10.7	84.9	15.1	100.0	49.7	29.3	79.0	21.0	100.0
1976	73.9	10.1	84.0	16.0	100.0	50.8	28.0	78.7	21.3	100.0
1977	73.7	9.8	83.6	16.4	100.0	50.4	27.6	78.0	22.0	100.0
1978	73.4	10.2	83.5	16.5	100.0	49.1	28.4	77.4	22.6	100.0
1979	72.8	9.6	82.4	17.6	100.0	47.6	29.9	77.5	22.5	100.0
1980	72.6	9.8	82.5	17.5	100.0	47.1	31.0	78.0	22.0	100.0
1981	72.6	10.0	82.6	17.4	100.0	47.7	31.4	79.1	20.9	100.0

Note: 1980 figures are actual, 1981 figures are preliminary actual.

[1] Totals differ from housing expenditures as shown in reference tables 3 to 6, in that the national income and expenditure totals include selling costs, principally real estate commissions.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*.

Reference Table 21
Private and Public Investment by Region
Capital Expenditures
1956 – 1981

Years	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Atlantic region	Quebec
D	836852	836856	836863	836870	836940	836877
			(Millions of dollars)			
1956	94	24	183	186	487	1,851
1957	100	22	188	159	469	2,029
1958	107	30	185	182	504	2,054
1959	115	37	226	203	581	2,094
1960	146	37	234	180	597	2,007
1961	184	38	224	171	617	2,008
1962	261	43	223	179	706	2,154
1963	236	43	234	189	702	2,301
1964	231	39	270	257	797	2,828
1965	228	57	318	334	937	3,206
1966	340	57	411	390	1,198	3,441
1967	360	46	463	378	1,246	3,203
1968	387	41	461	330	1,219	3,175
1969	395	44	552	392	1,383	3,376
1970	503	54	607	471	1,635	3,418
1971	678	73	628	497	1,876	4,150
1972	607	72	613	487	1,779	4,824
1973	634	124	825	636	2,219	5,826
1974	698	118	893	976	2,685	7,398
1975	714	118	922	1,159	2,913	9,170
1976	829	111	1,041	1,177	3,159	9,813
1977	712	130	1,040	1,155	3,038	10,702
1978	784	172	1,190	1,310	3,456	10,794
1979	1,035	201	1,323	1,652	4,211	11,854
1980	1,057	183	1,457	1,454	4,151	12,354
1981	1,313	193	1,996	1,589	5,092	13,879

	Ontario	Manitoba	Saskatchewan	Alberta	Prairie region	British Columbia[1]
	836884	836891	836898	836905	836947	
			(Millions of dollars)			
1956	2,842	364	485	901	1,750	1,089
1957	3,266	371	455	834	1,660	1,293
1958	3,104	409	477	890	1,776	925
1959	2,900	484	467	947	1,898	944
1960	2,856	487	474	946	1,907	895
1961	2,794	417	454	981	1,852	901
1962	3,054	424	513	937	1,874	927
1963	3,282	491	603	995	2,089	1,019
1964	3,747	528	648	1,100	2,276	1,296
1965	4,379	537	773	1,320	2,630	1,713
1966	5,289	651	921	1,553	3,124	2,037
1967	5,416	714	959	1,667	3,340	2,139
1968	5,579	820	943	1,723	3,486	1,996
1969	6,307	901	755	1,914	3,570	2,291
1970	6,928	871	603	1,957	3,431	2,386
1971	7,460	812	664	2,139	3,615	3,083
1972	8,237	970	824	2,383	4,177	3,201
1973	9,714	1,143	979	2,931	5,053	3,804
1974	11,816	1,379	1,262	3,831	6,472	4,511
1975	12,920	1,521	1,780	5,007	8,308	4,905
1976	13,948	1,812	2,180	7,002	10,995	5,722
1977	14,732	1,897	2,269	7,826	11,992	6,133
1978	15,561	2,018	2,393	9,431	13,842	6,706
1979	17,093	2,041	3,104	11,920	17,064	8,131
1980	18,861	1,981	3,276	14,374	19,631	10,414
1981	21,579	2,109	4,180	17,541	23,829	12,144

Note: 1980 figures are actual, 1981 figures are preliminary actual.
(1) Includes the Yukon and the Northwest Territories.
Source: Statistics Canada and Department of Industry, Trade and Commerce, Private and Public Investment Survey

Reference Table 22
Private Investment Capital Expenditures Excluding Housing by Region[1]
1961 – 1981

Years	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia[2]
			(Millions of dollars)			
1961	4,841	337	1,223	1,591	1,158	531
1962	5,036	406	1,238	1,729	1,120	542
1963	5,524	394	1,319	1,838	1,375	598
1964	6,685	466	1,656	2,220	1,504	840
1965	8,052	521	1,909	2,692	1,780	1,148
1966	9,781	702	2,225	3,313	2,145	1,396
1967	9,709	742	1,970	3,257	2,303	1,436
1968	9,318	609	1,853	3,123	2,381	1,271
1969	10,087	841	1,846	3,619	2,323	1,458
1970	11,148	1,052	1,883	4,341	2,300	1,570
1971	12,010	1,185	2,141	4,377	2,282	2,024
1972	13,132	1,056	2,719	4,696	2,744	1,916
1973	16,127	1,262	3,421	5,622	3,466	2,356
1974	20,232	1,492	4,468	7,058	4,453	2,762
1975	24,594	1,597	5,880	8,363	5,775	2,978
1976	26,252	1,653	5,676	8,409	7,298	3,216
1977	28,505	1,681	6,320	8,989	7,905	3,610
1978	31,528	1,928	6,782	9,802	8,934	4,082
1979	38,960	2,538	7,797	11,412	11,770	5,444
1980	45,999	2,571	8,500	13,556	14,398	6,975
1981	54,936	3,198	9,729	15,870	17,921	8,218
			(Per cent change)			
1962	4.0	20.4	1.2	8.7	−3.3	2.1
1963	9.7	−2.7	6.5	6.3	22.8	10.2
1964	21.0	18.2	25.5	20.8	9.4	40.5
1965	20.4	11.8	15.3	21.2	18.3	36.7
1966	21.5	34.6	16.5	23.1	20.5	21.6
1967	−0.7	5.8	−11.5	−1.7	7.4	2.9
1968	−4.0	−7.2	−5.9	−4.1	3.4	−11.5
1969	8.3	22.1	−0.4	15.9	−2.4	14.7
1970	10.5	25.1	2.0	20.0	−1.0	7.7
1971	7.7	12.6	13.7	0.8	−0.8	28.9
1972	9.3	−10.9	27.0	7.3	20.2	−5.3
1973	22.8	19.5	25.8	19.7	26.3	22.9
1974	25.5	18.2	30.6	25.5	28.5	17.2
1975	21.6	7.1	31.6	18.5	29.7	7.8
1976	6.7	3.5	−3.5	0.5	26.4	8.0
1977	8.6	1.7	11.3	6.9	8.3	12.3
1978	10.6	14.7	7.3	9.0	13.0	13.1
1979	23.6	31.6	15.0	16.4	31.7	33.4
1980	18.1	1.3	9.0	18.8	22.3	28.1
1981	19.4	24.4	14.5	17.1	24.5	17.8

Note: 1980 figures are actual, 1981 figures are preliminary actual.
[1] Total private and public expenditures minus housing, institutions and government departments.
[2] Includes the Yukon and the Northwest Territories.
Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*.

Reference Table 23
Dwelling Starts, Completions and Under Construction
1947 – 1981

Years	Starts			Completions			Under construction[1]	
	Centres of 5,000 population and over[2]	Other areas	Total	Centres of 5,000 population and over[2]	Other areas	Total	Centres of 5,000 population and over[2]	Total
	(Number of units)							
1947	n.a.	n.a.	74,300	44,600	27,600	72,200	n.a.	42,200
1948	57,671	32,523	90,194	48,006	28,091	76,097	39,217	56,456
1949	58,370	32,139	90,509	60,262	27,971	88,233	37,344	59,503
1950	68,599	23,932	92,531	62,847	26,168	89,015	41,510	60,538
1951	47,374	21,205	68,579	61,167	20,143	81,310	26,783	45,926
1952	63,443	19,803	83,246	54,346	18,741	73,087	36,998	55,689
1953	80,313	22,096	102,409	73,375	23,464	96,839	42,808	59,923
1954	89,755	23,772	113,527	80,593	21,372	101,965	51,302	68,641
1955	97,386	40,890	138,276	93,942	33,987	127,929	53,677	79,339
1956	87,309	40,002	127,311	95,152	40,548	135,700	44,386	68,579
1957	84,875	37,465	122,340	80,995	36,288	117,283	49,508	72,573
1958	121,695	42,937	164,632	107,839	38,847	146,686	63,080	88,162
1959	105,991	35,354	141,345	108,059	37,612	145,671	59,879	81,905
1960	76,687	32,171	108,858	90,513	33,244	123,757	44,975	65,773
1961	92,741	32,836	125,577	83,148	32,460	115,608	53,195	73,583
1962	104,279	25,816	130,095	100,447	26,235	126,682	60,541	76,153
1963	120,950	27,674	148,624	101,529	26,662	128,191	79,233	96,613
1964	136,206	29,452	165,658	123,902	27,061	150,963	89,950	107,718
1965	138,779	27,786	166,565	125,475	27,562	153,037	101,786	119,854
1966	108,434	26,040	134,474	135,134	27,058	162,192	71,722	88,621
1967	131,858	32,265	164,123	120,163	29,079	149,242	82,616	102,716
1968	162,267	34,611	196,878	136,337	34,656	170,993	106,834	126,638
1969	169,739	40,676	210,415	159,089	36,737	195,826	114,386	137,357
1970	150,999	39,529	190,528	138,576	37,251	175,827	123,901	148,185
1971	180,948	52,705	233,653	155,892	45,340	201,232	145,885	177,257
1972	206,954	42,960	249,914	192,984	39,243	232,227	163,318	188,630
1973	211,543	56,986	268,529	197,513	49,068	246,581	174,852	207,236
1974	169,437	52,686	222,123	202,989	54,254	257,243	138,360	168,406
1975	181,846	49,610	231,456	170,325	46,639	216,964	146,517	176,599
1976	209,762	63,441	273,203	180,765	55,484	236,249	168,282	204,286
1977	200,201	45,523	245,724	206,217	45,572	251,789	158,216	185,599
1978	178,678	48,989	227,667	198,777	47,756	246,533	135,239	164,702
1979	151,717	45,332	197,049	178,604	47,885	226,489	103,414	128,601
1980	125,013	33,588	158,601	140,996	35,172	176,168	84,195	105,780
1981	142,441	35,532	177,973	137,955	37,041	174,996	85,515	102,829

Note: Data for 1962 to 1965 are based on 1961 Census area definitions, for 1966 to 1971 on 1966 Census area definitions, for 1972 to 1976 on 1971 Census area definitions. Subsequent data are based on 1976 Census area definitions.

[1] At end of period.

[2] Data for years after 1967 based on areas of 10,000 population and over.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 24
Dwelling Starts and Completions, by Type
1949 – 1981

Years	Starts					Completions				
	Single detached	Semi-detached and duplex	Row	Apart-ments	Total	Single detached	Semi-detached and duplex	Row	Apart-ments	Total
	(Number of units)									
1949	71,425	7,536	0	11,548	90,509	68,966	7,309	485	11,473	88,233
1950	68,675	8,664	631	14,561	92,531	68,685	7,376	145	12,809	89,015
1951	53,002	5,658	54	9,865	68,579	60,366	7,568	585	12,791	81,310
1952	60,696	5,360	299	16,891	83,246	55,967	5,314	99	11,707	73,087
1953	70,782	7,202	553	23,872	102,409	68,916	7,714	372	19,837	96,839
1954	78,574	6,498	1,000	27,455	113,527	71,760	6,098	1,065	23,042	101,965
1955	99,003	10,606	1,909	26,758	138,276	90,553	8,278	1,547	27,551	127,929
1956	90,620	9,441	2,263	24,987	127,311	95,656	11,872	2,137	26,035	135,700
1957	82,955	9,272	2,214	27,899	122,340	81,096	8,464	2,350	25,373	117,283
1958	104,508	10,713	2,457	46,954	164,632	96,830	10,004	2,226	37,626	146,686
1959	92,178	10,468	1,908	36,791	141,345	95,455	10,923	2,308	36,985	145,671
1960	67,171	9,699	2,301	29,687	108,858	78,113	9,911	1,616	34,117	123,757
1961	76,430	11,650	1,864	35,633	125,577	76,171	10,593	2,019	26,825	115,608
1962	74,443	10,975	3,742	40,935	130,095	75,593	11,922	2,451	36,716	126,682
1963	77,158	7,891	3,895	59,680	148,624	71,585	7,150	3,487	45,969	128,191
1964	77,079	8,706	4,755	75,118	165,658	76,225	8,091	3,861	62,786	150,963
1965	75,441	7,924	5,306	77,894	166,565	75,104	8,730	4,097	65,106	153,037
1966	70,642	7,281	5,000	51,551	134,474	73,858	7,707	6,412	74,215	162,192
1967	72,534	9,939	7,392	74,258	164,123	73,631	9,089	5,431	61,091	149,242
1968	75,339	10,114	8,042	103,383	196,878	74,640	10,098	7,896	78,359	170,993
1969	78,404	10,373	10,721	110,917	210,415	78,584	10,483	7,827	98,932	195,826
1970	70,749	10,826	17,055	91,898	190,528	66,615	9,066	11,473	88,673	175,827
1971	98,056	13,751	15,659	106,187	233,653	82,978	12,518	16,795	88,941	201,232
1972	115,570	13,649	16,980	103,715	249,914	106,508	13,184	14,416	98,119	232,227
1973	131,552	13,235	17,291	106,451	268,529	122,696	13,479	14,832	95,574	246,581
1974	122,143	11,023	14,932	74,025	222,123	129,704	12,509	19,225	95,805	257,243
1975	123,929	15,403	21,763	70,361	231,456	113,409	12,303	16,095	75,157	216,964
1976	134,313	15,890	33,676	89,324	273,203	128,623	15,160	21,172	71,294	236,249
1977	108,403	18,373	26,621	92,327	245,724	117,792	17,281	31,561	85,155	251,789
1978	110,029	19,932	20,379	77,327	227,667	106,195	19,155	26,644	94,539	246,533
1979	109,117	16,236	13,249	58,387	197,049	112,105	18,071	18,860	77,453	226,489
1980	87,721	11,149	11,402	48,329	158,601	90,720	13,675	13,398	58,375	176,168
1981	89,071	11,768	15,525	61,609	177,973	98,412	12,831	13,252	50,501	174,996

Note: See *Note* to Table 23.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics;* Canada Mortgage and Housing Corporation, *Housing in Canada.*

Reference Table 25
Manufacturers' Inventories, Shipments and Orders
1961 – 1981

Years	Manufacturing					Durable manufacturing			Non-durable manufacturing		
	Shipments	New orders received	Unfilled orders	Total inventories held	Stock to sales ratio[1]	Shipments	New orders received	Unfilled orders	Shipments	New orders received	Unfilled orders
D	310000 310030	310060 310083	310106 310129	310152 310175		310022 310052	310082 310105	310128 310151	310021 310051	310081 310104	310127 310150
	(Millions of dollars)										
1961	1,953	1,968	1,960	4,529	2.32	769	726	1,526	1,184	1,193	434
1962	2,149	2,158	2,177	4,867	2.26	883	894	1,747	1,267	1,264	430
1963	2,335	2,344	2,199	5,085	2.18	988	995	1,784	1,347	1,350	415
1964	2,571	2,601	2,497	5,436	2.11	1,121	1,151	2,069	1,451	1,450	428
1965	2,824	2,867	2,950	5,952	2.11	1,281	1,318	2,491	1,543	1,549	459
1966	3,109	3,181	3,656	6,475	2.08	1,421	1,489	3,141	1,687	1,692	515
1967	3,246	3,241	4,025	7,408	2.28	1,478	1,475	3,513	1,768	1,766	512
1968	3,505	3,508	3,961	7,446	2.12	1,633	1,628	3,384	1,872	1,880	577
1969	3,828	3,885	4,345	8,064	2.11	1,811	1,865	3,705	2,018	2,020	640
1970	3,865	3,849	4,722	8,611	2.23	1,785	1,767	3,860	2,080	2,082	863
1971	4,189	4,215	4,834	8,643	2.08	1,977	1,997	3,954	2,213	2,218	880
1972	4,687	4,736	5,049	9,197	1.97	2,222	2,265	4,097	2,465	2,471	952
1973	5,563	5,793	6,707	10,420	1.88	2,638	2,848	5,567	2,925	2,945	1,140
1974	6,871	7,125	10,063	13,674	1.99	3,136	3,386	8,699	3,735	3,739	1,363
1975	7,372	7,297	10,818	16,350	2.22	3,346	3,284	9,594	4,025	4,013	1,224
1976	8,190	8,117	10,043	17,420	2.13	3,749	3,667	8,807	4,442	4,450	1,236
1977	9,083	9,212	10,741	18,943	2.09	4,169	4,284	9,381	4,914	4,927	1,360
1978	10,775	11,035	12,760	20,882	1.94	5,012	5,238	11,043	5,763	5,798	1,717
1979	12,706	12,964	16,400	24,750	1.95	5,867	6,106	14,306	6,839	6,858	2,094
1980	13,913	14,006	18,218	29,122	2.09	6,148	6,217	16,002	7,765	7,785	2,216
1981	15,684	15,681	19,237	33,263	2.12	6,805	6,809	16,874	8,879	8,872	2,363

[1] Ratio of total inventories held to shipments.

Source: Statistics Canada, *Inventories, Shipments and Orders in Manufacturing Industries*, monthly, cat. 31-001.

Reference Table 26
Gross Domestic Product in Constant (1971) Dollars by Industry
1971 – 1981

Year	Gross domestic product	Agri-culture	Gross domestic product less agri-culture	Mines quarries and oil wells	Manufacturing			Cons-truction	Electric power gas and water utilities	Transpor-tation storage and communi-cation	Trade			Finance insur-ance and real estate	Commu-nity business and personal services	Public admin-istra-tion and defence	Commer-cial industries	Commer-cial industries less agri-culture	Goods pro-ducing industries	Service pro-ducing industries	Non-commer-cial industries	Industrial produc-tion
					Total	Non-durable	Durable				Total	Whole-sale	Retail									
D	141940	141941	142098	141944	141955	142106	142105	142037	142049	142038	142052	142053	142055	142069	142076	142092	142102	142103	142100	142101	142104	142099
													(Millions of dollars)									
1971	83,260	2,697	80,565	3,146	19,041	9,396	9,645	5,846	2,194	10,086	9,806	4,103	5,703	9,589	16,081	6,152	68,006	65,310	33,740	49,520	15,255	24,381
1972	86,143	2,390	85,753	3,286	20,516	10,157	10,359	6,021	2,438	10,944	10,774	4,491	6,283	10,100	16,848	6,414	72,504	70,114	35,500	52,643	15,639	26,240
1973	95,028	2,612	92,416	3,706	22,674	10,881	11,793	6,202	2,640	11,887	11,751	4,927	6,824	10,929	17,606	6,750	78,889	76,277	38,745	56,283	16,140	29,021
1974	99,347	2,413	96,935	3,587	23,497	11,110	12,387	6,446	2,853	12,607	12,700	5,340	7,360	11,593	18,614	7,006	82,771	80,359	39,680	59,667	16,576	29,937
1975	100,283	2,776	97,507	3,175	22,123	10,487	11,636	6,780	2,863	12,757	12,993	5,366	7,627	12,071	19,481	7,346	83,107	80,331	38,498	61,785	17,175	28,161
1976	105,249	2,948	102,302	3,244	23,432	11,220	12,212	6,992	3,116	13,536	13,531	5,469	8,062	12,683	20,470	7,565	87,664	84,717	40,581	64,668	17,585	29,792
1977	108,341	3,070	105,271	3,337	23,902	11,387	12,514	6,856	3,311	14,284	13,710	5,548	8,163	13,445	21,096	7,736	90,443	87,373	41,380	66,961	17,898	30,550
1978	111,941	2,996	108,945	3,078	25,107	12,038	13,070	6,700	3,456	14,910	14,204	5,821	8,383	14,150	21,911	7,928	93,774	90,778	42,295	69,646	18,167	31,641
1979	116,021	2,700	113,321	3,370	26,287	12,756	13,530	6,802	3,648	15,928	14,680	6,093	8,586	14,761	22,638	7,893	97,801	95,101	43,770	72,251	18,221	33,304
1980	116,425	2,845	113,580	3,447	25,460	12,575	12,885	6,665	3,739	16,306	14,666	6,143	8,523	15,215	22,914	7,981	98,067	95,222	43,083	73,342	18,358	32,646
1981	119,401	3,091	116,310	3,250	25,934	12,744	13,190	7,095	3,860	16,826	14,788	6,121	8,667	15,648	23,743	8,120	100,700	97,610	44,138	75,263	18,701	33,045
													(Per cent change)									
1972	3.5	−11.3	6.4	4.4	7.7	8.1	7.4	3.0	11.1	8.5	9.9	9.5	10.2	5.3	4.8	4.2	6.6	7.4	5.2	6.3	2.5	7.6
1973	7.8	9.3	7.8	12.8	10.5	7.1	13.8	3.0	8.3	8.6	9.1	9.7	8.6	8.2	4.5	5.2	8.8	8.8	9.1	6.9	3.2	10.6
1974	4.5	−7.6	4.9	−3.2	3.6	2.1	5.0	3.9	8.1	6.1	8.1	8.4	7.8	6.1	5.7	3.8	4.9	5.4	2.4	6.0	2.7	3.2
1975	0.9	15.1	0.6	−11.5	−5.9	−5.6	−6.1	5.2	0.3	1.2	2.3	0.5	3.6	4.1	4.7	4.8	0.4	0.0	−3.0	3.5	3.6	−5.9
1976	5.0	6.2	4.9	2.2	5.9	7.0	5.0	3.1	8.8	6.1	4.1	1.9	5.7	5.1	5.1	3.0	5.5	5.5	5.4	4.7	2.4	5.8
1977	2.9	4.1	2.9	2.9	2.0	1.5	2.5	−1.9	6.3	5.5	1.3	1.4	1.2	6.0	3.1	2.3	3.2	3.1	2.0	3.5	1.8	2.5
1978	3.3	−2.4	3.5	−7.8	5.0	5.7	4.4	−2.3	4.4	4.4	3.6	4.9	2.7	5.2	3.9	2.5	3.7	3.9	2.2	4.0	1.5	3.6
1979	3.6	−9.9	4.0	9.5	4.7	6.0	3.5	1.5	5.5	6.8	3.3	4.7	2.4	4.3	3.3	−0.4	4.3	4.8	3.5	3.7	0.3	5.3
1980	0.3	5.4	0.2	2.3	−3.1	−1.4	−4.8	−2.0	2.5	2.4	−0.1	0.8	−0.7	3.1	1.2	1.1	0.3	0.1	−1.6	1.5	0.8	−2.0
1981	2.6	8.6	2.4	−5.7	1.9	1.3	2.4	6.5	3.2	3.2	0.8	−0.4	1.7	2.8	3.6	1.7	2.7	2.5	2.4	2.6	1.9	1.2

Note: Statistics Canada has replaced the indexes of real domestic product (by industry) by gross domestic product in constant (1971) prices. Since statistical revisions were also included and in some cases new methodologies were introduced, the two series for the historical period are not comparable. The data were published for the period commencing in 1971. The percentage changes are calculated using unrounded data.

Source: Statistics Canada, *Indexes of Real Gross Domestic Product by Industry*, monthly and annual, cat. 61-213.

Reference Table 27
Main Components of the Labour Market[1]
1966 – 1981[2]

Years	Population 15 years and over	Labour force			Employment			Unemployment	Total immigration	Immigrants destined to the labour force
		Total	Male	Female	Total	Male	Female			
D	767284 —	767285 767606	767417 767681	767549 767748	767286 767608	767418 767683	767550 767750	767287 767609	55	66
					(Thousands of persons)					
1966	13,083	7,493	5,147	2,346	7,242	4,975	2,267	251	195	99
1967	13,444	7,747	5,261	2,485	7,451	5,058	2,393	296	223	120
1968	13,805	7,951	5,354	2,597	7,593	5,110	2,483	358	184	95
1969	14,162	8,194	5,465	2,728	7,832	5,230	2,601	362	162	84
1970	14,528	8,395	5,571	2,824	7,919	5,260	2,660	476	148	78
1971	14,872	8,639	5,667	2,972	8,104	5,329	2,775	535	122	61
1972	15,186	8,897	5,797	3,100	8,345	5,460	2,885	553	122	59
1973	15,526	9,276	5,973	3,303	8,761	5,678	3,083	515	184	92
1974	15,924	9,639	6,163	3,477	9,125	5,870	3,255	514	218	106
1975	16,323	9,974	6,294	3,680	9,284	5,903	3,381	690	188	81
1976	16,706	10,206	6,369	3,837	9,479	5,965	3,515	727	149	61
1977	17,057	10,498	6,505	3,993	9,648	6,031	3,617	850	115	48
1978	17,382	10,882	6,650	4,232	9,972	6,148	3,824	911	86	35
1979	17,691	11,207	6,799	4,408	10,369	6,347	4,022	838	112	48
1980	18,005	11,522	6,909	4,613	10,655	6,430	4,225	867	143	63
1981	18,295	11,830	7,019	4,811	10,933	6,522	4,411	897	128	n.a.
				(Percentage change)					(Change)	
1967	2.8	3.4	2.2	5.9	2.9	1.7	5.6	45	28	20
1968	2.7	2.6	1.8	4.5	1.9	1.0	3.8	62	−39	−24
1969	2.6	3.1	2.1	5.0	3.1	2.3	4.8	4	−22	−11
1970	2.6	2.5	1.9	3.5	1.1	0.6	2.3	114	−14	−7
1971	2.4	2.9	1.7	5.2	2.3	1.3	4.3	59	−26	−16
1972	2.1	3.0	2.3	4.3	3.0	2.5	4.0	18	0	−2
1973	2.2	4.3	3.0	6.5	5.0	4.0	6.9	−38	62	33
1974	2.6	3.9	3.2	5.2	4.2	3.4	5.6	−1	34	14
1975	2.5	3.5	2.1	5.9	1.7	0.6	3.9	175	−31	−25
1976	2.3	2.3	1.2	4.3	2.1	1.0	4.0	37	−38	−20
1977	2.1	2.9	2.1	4.1	1.8	1.1	2.9	124	−35	−14
1978	1.9	3.7	2.2	6.0	3.4	1.9	5.7	60	−29	−12
1979	1.8	3.0	2.2	4.2	4.0	3.2	5.2	−72	26	13
1980	1.8	2.8	1.6	4.7	2.8	1.3	5.0	28	31	15
1981	1.6	2.7	1.6	4.3	2.6	1.4	4.4	31	−15	n.a.

[1] Small differences in totals may arise due to rounding.

[2] Labour Force Survey data were first collected under the revised Labour Force Survey in January, 1975. In January, 1976, the Revised Survey replaced the former Survey. Revised data have been estimated back to 1966. The former Labour Force Survey data (1954-1975) may be found in the 1976 edition of this *Review*.

Source: Statistics Canada. *The Labour Force*, and *Historical Labour Force Statistics*, annual, cat. 71-201; Department of Employment and Immigration, *Immigration Statistics. Quarterly Immigration Bulletin*.

Reference Table 28
Participation and Unemployment Rates by Sex and Age Groups
1966 – 1981[1]

Years	Participation rates						
	Male			Female			Total
	Total	15-24	25+	Total	15-24	25+	
D	767420 767685	767430 767697	767389 767656	767552 767752	767562 767763	767521 767730	767288 767610
	(Per cent)						
1966	79.8	64.1	84.9	35.4	48.4	31.2	57.3
1967	79.3	64.1	84.5	36.5	49.1	32.3	57.6
1968	78.6	63.3	84.0	37.1	49.8	32.8	57.6
1969	78.3	62.7	83.8	38.0	50.2	33.8	57.9
1970	77.8	62.4	83.3	38.3	49.4	34.5	57.8
1971	77.3	62.7	82.7	39.4	50.8	35.4	58.1
1972	77.5	64.3	82.3	40.2	51.8	36.2	58.6
1973	78.2	66.7	82.3	41.9	54.2	37.6	59.7
1974	78.7	68.9	82.2	43.0	56.0	38.5	60.5
1975	78.4	68.8	81.9	44.3	56.8	40.0	61.1
1976	77.6	67.9	81.1	45.2	56.8	41.1	61.1
1977	77.6	68.8	80.9	46.0	57.5	42.1	61.5
1978	77.9	69.7	80.9	47.8	58.9	44.0	62.6
1979	78.3	71.4	80.9	48.9	61.0	44.8	63.3
1980	78.3	72.0	80.5	50.2	62.6	46.2	64.0
1981	78.3	72.5	80.3	51.6	63.2	47.9	64.7

	Unemployment rates						
	Male			Female			Total
	Total	15-24	25+	Total	15-24	25+	
	767421 767686	767431 767698	767390 767657	767553 767753	767563 767764	767522 767731	767289 767611
	(Per cent)						
1966	3.3	6.3	2.6	3.4	4.8	2.7	3.4
1967	3.9	7.2	3.0	3.7	5.5	2.8	3.8
1968	4.6	8.7	3.5	4.4	6.5	3.7	4.4
1969	4.3	8.3	3.2	4.7	6.5	3.7	4.4
1970	5.6	11.2	4.1	5.8	8.5	4.4	5.7
1971	6.0	12.1	4.3	6.6	9.8	5.0	6.2
1972	5.8	11.9	4.1	7.0	9.5	5.7	6.2
1973	4.9	10.1	3.4	6.7	9.2	5.4	5.5
1974	4.8	9.7	3.3	6.4	8.9	5.1	5.3
1975	6.2	12.6	4.3	8.1	11.4	6.5	6.9
1976	6.4	13.3	4.2	8.4	12.0	6.6	7.1
1977	7.3	15.0	4.9	9.4	13.8	7.4	8.1
1978	7.6	15.2	5.2	9.6	13.9	7.7	8.4
1979	6.7	13.4	4.6	8.8	12.7	7.0	7.5
1980	6.9	13.8	4.8	8.4	12.6	6.5	7.5
1981	7.1	14.3	4.9	8.3	12.3	6.7	7.6

[1] See note 2 on reference table 27.

Source: Statistics Canada, *The Labour Force* and *Historical Labour Force Statistics*.

Reference Table 29
Participation Rates, Canada and by Region
1966 – 1981[1]

Years	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767860 767610		769841 769760	769904 769763		769922 769172
			(Labour force as a percentage of population 15 years and over)			
1966	57.3	50.4	56.0	59.8	58.3	56.7
1967	57.6	50.4	56.4	60.2	58.3	57.5
1968	57.6	50.0	55.6	60.3	59.5	57.6
1969	57.9	49.9	55.9	60.5	59.7	58.2
1970	57.8	49.3	55.4	60.5	60.0	58.7
1971	58.1	49.8	56.0	60.9	60.0	58.3
1972	58.6	50.5	55.9	61.7	60.8	58.8
1973	59.7	52.3	57.6	62.4	61.8	59.6
1974	60.5	53.4	58.0	63.4	62.6	60.3
1975	61.1	53.5	58.5	64.1	63.0	61.1
1976	61.1	53.4	58.3	63.9	63.8	61.3
1977	61.5	53.7	58.9	64.3	64.3	61.5
1978	62.6	54.9	59.7	65.5	65.3	62.6
1979	63.3	55.5	60.1	66.6	66.3	62.7
1980	64.0	56.2	61.0	66.8	67.1	63.7
1981	64.7	56.3	61.2	67.7	68.1	64.7

[1] See note 2 on reference table 27.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 30
Labour Force, Canada and by Region
1966 – 1981[1]

Years	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767870 774020		769838 768475	769901 768645		769919 769230						
	(Thousands of persons)						(Per cent change)					
1966	7,493	615	2,113	2,787	1,262	716	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1967	7,747	626	2,184	2,891	1,286	759	3.4	1.8	3.4	3.8	1.9	6.0
1968	7,951	635	2,205	2,980	1,342	789	2.6	1.5	0.9	3.1	4.3	4.0
1969	8,194	647	2,264	3,077	1,376	830	3.1	1.9	2.7	3.3	2.6	5.2
1970	8,395	652	2,288	3,177	1,407	871	2.5	0.7	1.1	3.2	2.2	5.0
1971	8,639	673	2,347	3,290	1,429	899	2.9	3.3	2.6	3.6	1.6	3.2
1972	8,897	696	2,383	3,410	1,471	938	3.0	3.4	1.5	3.6	2.9	4.3
1973	9,276	736	2,499	3,532	1,522	987	4.3	5.8	4.9	3.6	3.5	5.2
1974	9,639	767	2,570	3,686	1,576	1,040	3.9	4.1	2.8	4.4	3.6	5.4
1975	9,974	787	2,647	3,818	1,635	1,087	3.5	2.6	3.0	3.6	3.7	4.5
1976	10,206	805	2,689	3,885	1,712	1,116	2.3	2.3	1.6	1.7	4.7	2.6
1977	10,498	829	2,756	3,994	1,775	1,144	2.9	2.9	2.5	2.8	3.7	2.5
1978	10,882	864	2,827	4,147	1,852	1,192	3.7	4.2	2.6	3.8	4.3	4.2
1979	11,207	892	2,878	4,289	1,926	1,223	3.0	3.2	1.8	3.4	4.0	2.6
1980	11,522	919	2,959	4,366	2,000	1,278	2.8	3.1	2.8	1.8	3.8	4.5
1981	11,830	935	2,996	4,481	2,082	1,337	2.7	1.7	1.3	2.6	4.1	4.7

[1] See note 2 on reference table 27.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 31
Employment, Canada and by Region
1966 – 1981[1]

Years	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767888 774027		769839 768476	769902 768646		769920 769231						
	(Thousands of persons)						(Per cent change)					
1966	7,242	583	2,027	2,714	1,233	684	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1967	7,451	593	2,085	2,799	1,254	720	2.9	1.5	2.8	3.1	1.7	5.3
1968	7,593	598	2,081	2,873	1,299	742	1.9	0.9	−0.2	2.6	3.5	3.1
1969	7,832	607	2,126	2,979	1,331	788	3.1	1.5	2.2	3.7	2.5	6.2
1970	7,919	612	2,128	3,037	1,337	805	1.1	0.8	0.1	2.0	0.4	2.1
1971	8,104	626	2,175	3,113	1,356	834	2.3	2.3	2.2	2.5	1.4	3.7
1972	8,344	642	2,205	3,239	1,394	865	3.0	2.5	1.4	4.1	2.8	3.7
1973	8,761	679	2,330	3,380	1,451	920	5.0	5.9	5.7	4.4	4.1	6.4
1974	9,125	702	2,401	3,523	1,523	976	4.2	3.3	3.0	4.2	5.0	6.0
1975	9,284	710	2,434	3,576	1,571	995	1.7	1.1	1.4	1.5	3.1	1.9
1976	9,479	718	2,456	3,645	1,641	1,020	2.1	1.1	0.9	1.9	4.5	2.5
1977	9,648	725	2,473	3,714	1,690	1,047	1.8	1.0	0.7	1.9	3.0	2.7
1978	9,972	756	2,520	3,847	1,756	1,093	3.4	4.3	1.9	3.6	3.9	4.4
1979	10,369	786	2,602	4,008	1,843	1,129	4.0	4.1	3.3	4.2	4.9	3.3
1980	10,655	817	2,667	4,066	1,914	1,191	2.8	3.8	2.5	1.4	3.9	5.5
1981	10,933	826	2,685	4,186	1,988	1,247	2.6	1.2	0.7	2.9	3.9	4.7

[1] See note 2 on reference table 27.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 32
Estimates of Employees by Industry
1961 – 1981

Years	Non-agricultural total	Mines, quarries and oil wells	Manufacturing	Construction	Transportation, storage and communications	Trade	Finance, insurance and real estate	Community business and personal services	Public administration and defence
					(Thousands)				
1961	4,710	108	1,310	284	581	758	196	1,068	331
1962	4,914	109	1,371	301	584	791	207	1,129	341
1963	5,088	107	1,420	308	592	821	220	1,199	345
1964	5,331	108	1,486	329	609	854	231	1,280	352
1965	5,611	115	1,554	363	626	898	240	1,370	362
1966	5,904	117	1,637	387	644	944	248	1,467	375
1967	6,082	119	1,641	376	659	965	265	1,575	399
1968	6,212	121	1,638	372	646	1,002	282	1,668	408
1969	6,464	120	1,678	379	661	1,057	299	1,776	420
1970	6,566	129	1,648	366	667	1,081	305	1,850	449
1971	6,744	126	1,640	391	685	1,114	316	1,929	475
1972	7,009	123	1,680	404	699	1,186	343	2,009	501
1973	7,397	127	1,775	428	719	1,262	373	2,104	536
1974	7,769	132	1,838	446	764	1,347	405	2,205	558
1975	7,874	131	1,755	451	764	1,381	423	2,310	593
1976	8,006	136	1,773	455	779	1,401	434	2,358	606
1977	8,224	142	1,775	467	795	1,413	472	2,469	621
1978	8,391	140	1,803	436	803	1,467	488	2,545	633
1979	8,691	151	1,874	466	819	1,515	502	2,656	625
1980	8,877	170	1,851	456	843	1,555	517	2,766	636
1981	9,198	178	1,885	477	851	1,630	534	2,935	628
					(Per cent change)				
1962	4.3	1.3	4.6	6.1	0.5	4.4	5.7	5.7	3.0
1963	3.5	−2.0	3.6	2.3	1.4	3.8	6.0	6.1	1.0
1964	4.8	1.1	4.6	6.5	2.8	4.0	5.4	6.8	2.2
1965	5.3	6.3	4.6	10.4	2.8	5.2	3.8	7.0	2.6
1966	5.2	2.2	5.3	6.6	2.9	5.0	3.4	7.1	3.6
1967	3.0	1.4	0.2	−2.9	2.3	2.6	6.7	7.3	6.4
1968	2.1	1.5	−0.2	−1.0	−1.9	3.5	6.5	5.9	2.3
1969	4.0	−0.8	2.4	1.7	2.2	5.5	5.9	6.5	2.9
1970	1.6	7.4	−1.8	−3.3	1.0	2.2	2.1	4.1	7.0
1971	2.0	−1.6	−0.5	6.4	2.6	3.1	3.5	2.5	6.3
1972	3.9	−2.2	2.5	3.6	2.0	6.4	8.4	4.2	5.4
1973	5.5	3.0	5.6	6.0	2.9	6.5	8.9	4.7	7.0
1974	5.0	4.0	3.5	4.2	6.2	6.7	8.6	4.8	4.3
1975	1.3	−0.4	−4.5	1.1	0.0	2.5	4.4	4.8	6.1
1976	1.7	3.8	1.0	1.0	2.0	1.5	2.7	2.1	2.4
1977	2.7	3.8	0.1	2.4	2.0	0.9	8.7	4.7	2.4
1978	2.0	−1.4	1.6	−6.5	1.0	3.8	3.4	3.0	2.0
1979	3.6	8.0	3.9	6.8	2.1	3.3	2.9	4.4	−1.2
1980	2.1	12.8	−1.2	−2.1	2.8	2.6	2.9	4.1	1.7
1981	3.6	4.7	1.8	4.6	1.0	4.8	3.2	6.1	−1.1

Source: Statistics Canada, *Estimates of Employees by Province and Industry*, cat. 72-008.

Reference Table 33
Unemployment, Canada and by Region
1966 – 1981[1]

Years	Unemployed						Unemployment rate					
	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767891 767609		769840 768477	769903 767647		769921 769232	767863 767611		769842 768478	769905 768648		769923 769233
	(Thousands of persons)						(Per cent)					
1966	251	33	86	72	30	33	3.4	5.4	4.1	2.6	2.4	4.6
1967	296	33	100	92	30	39	3.8	5.3	4.6	3.2	2.5	5.1
1968	358	38	124	107	43	47	4.5	6.0	5.6	3.6	3.2	5.9
1969	362	40	137	99	45	42	4.4	6.2	6.1	3.2	3.3	5.0
1970	476	40	160	139	70	67	5.7	6.2	7.0	4.4	4.9	7.7
1971	535	46	171	178	74	65	6.2	7.0	7.3	5.4	5.2	7.2
1972	553	54	178	171	78	73	6.2	7.7	7.5	5.0	5.3	7.8
1973	515	57	169	152	71	66	5.5	7.8	6.8	4.3	4.7	6.7
1974	514	65	169	164	53	64	5.3	8.4	6.6	4.4	3.4	6.2
1975	690	77	214	242	65	92	6.9	9.8	8.1	6.3	3.9	8.5
1976	727	88	233	240	71	96	7.1	10.9	8.7	6.2	4.1	8.6
1977	850	104	284	280	86	97	8.1	12.6	10.3	7.0	4.9	8.5
1978	911	108	307	300	96	98	8.4	12.5	10.9	7.2	5.2	8.3
1979	838	105	277	280	83	94	7.5	11.8	9.6	6.5	4.3	7.7
1980	867	103	292	300	86	87	7.5	11.2	9.9	6.9	4.3	6.8
1981	898	109	311	295	93	90	7.6	11.7	10.4	6.6	4.5	6.7

[1] See note 2 on reference table 27.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 34
Unemployed Persons by Family Status, Canada
1961 – 1981[1]

Years	Total unemployed	Members of family units				Non-members of family units	Total unemployed	Members of family units				Non-members of family units
		Total	Heads of units	Single son or daughter	Other relatives			Total	Heads of units	Single son or daughter	Other relatives	
D	767287	773576	773577	773579	773580	773581						
	(Thousands of persons, annual averages)						(Change)					
	Former Labour Force Survey											
1961	497	454	230	168	56	43						
1962	405	371	187	138	45	35	−92	−83	−43	−30	−11	−8
1963	390	357	174	132	51	34	−15	−14	−13	−6	6	−1
1964	348	319	148	123	47	30	−42	−38	−26	−9	−4	−4
1965	298	273	127	105	41	25	−50	−46	−21	−18	−6	−5
1966[2]	251	252	113	101	37	23	n.a.	−21	−14	−4	−4	−2
1967	296	294	134	114	46	27	45	42	21	13	9	4
1968	358	354	155	144	55	36	62	60	21	30	9	9
1969	362	359	146	150	63	32	4	5	−9	6	8	−4
1970	476	444	183	190	72	47	114	85	37	40	9	15
1971	535	516	212	213	91	56	59	72	29	23	19	9
1972	552	509	202	215	93	61	17	−7	−10	2	2	5
1973	515	453	169	190	95	67	−37	−56	−33	−25	3	6
1974	514	462	171	197	93	64	−1	9	2	7	−2	−3
1975	690	624	241	252	131	87	176	162	70	55	38	23
	Revised Labour Force Survey											
1975	690	609	194	221	194	80	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1976	727	640	190	240	210	87	37	31	−4	19	16	7
1977	850	752	224	280	248	99	123	112	34	40	38	12
1978	911	800	247	289	264	110	61	48	23	9	16	11
1979	838	743	223	278	242	96	−73	−57	−24	−11	−22	−14
1980	867	764	237	287	239	103	29	21	14	9	−3	7
1981	898	788	241	294	253	109	31	24	4	7	14	6

[1] These data have not been linked back over the years prior to 1975, when the former Labour Force Survey was in effect; as a result, both sets of data are presented here.

[2] Only the total unemployed data for 1966 to 1975 are as revised by Statistics Canada; the other figures for that period therefore do not add exactly to the stated total.

Source: Statistics Canada, *The Labour Force*.

Reference Table 35
Family Units with One or More Unemployed Persons by the Number of Employed Persons in the Family Unit, Canada 1961 – 1981[1]

Years	Units with some unemployed	No persons in unit employed	One or more persons in unit employed: Total	One employed	Two employed[2]	Three or more employed	Units with some unemployment	No persons in unit employed	One or more persons in unit employed: Total	One employed	Two employed[2]	Three or more employed
	(Thousands of family units, annual averages)						(Change)					
	Former Labour Force Survey											
1961	394	177	217	132	57	28						
1962	331	148	183	112	46	25	−63	−29	−34	−20	−11	−3
1963	315	138	179	108	46	26	−16	−10	−4	0	0	1
1964	284	115	170	99	48	23	−31	−23	−9	−9	2	−3
1965	245	96	149	87	40	22	−39	−19	−21	−12	−8	−1
1966	229	87	142	83	39	19	−16	−9	−7	−4	−1	−3
1967	248	100	168	100	44	24	19	13	26	17	5	5
1968	319	119	200	119	54	28	71	19	32	19	10	4
1969	320	113	207	122	54	31	1	−6	7	3	0	3
1970	396	141	256	157	69	30	76	28	49	35	15	−1
1971	461	165	295	181	77	39	65	24	39	24	8	9
1972	456	159	297	186	76	36	−5	−6	2	5	−1	−3
1973	408	128	281	172	70	39	−48	−31	−16	−14	−6	3
1974	412	135	276	170	70	36	4	7	−5	−2	0	−3
1975	547	185	362	228	92	43	135	50	86	58	22	7
	Revised Labour Force Survey											
1975	553	153	399	260	139	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1976	576	153	423	273	150	n.a.	23	0	24	13	11	n.a.
1977	669	176	493	318	175	n.a.	93	23	70	45	25	n.a.
1978	711	187	523	340	183	n.a.	42	11	30	22	8	n.a.
1979	663	172	492	320	172	n.a.	−48	−15	−31	−20	−11	n.a.
1980	682	178	504	321	183	n.a.	19	6	12	1	11	n.a.
1981	703	179	524	337	187	n.a.	21	1	20	16	4	n.a.

[1] See note 1 on reference table 34.
[2] On revised Labour Force Survey this column reads "two or more employed".

Source: Statistics Canada, *The Labour Force*.

Reference Table 36
Help-Wanted Index, Canada and Regions
1962 – 1981
(1969 = 100)

Years	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	730179	730180	730181	730182	730183	730184
1962	62	87	90	44	54	41
1963	65	84	88	51	60	40
1964	78	97	102	65	73	54
1965	97	137	118	86	86	70
1966	107	143	127	96	102	75
1967	93	121	109	79	104	66
1968	81	107	85	77	84	70
1969	100	100	100	100	100	100
1970	82	78	86	83	79	75
1971	86	87	93	80	88	83
1972	115	104	114	117	121	113
1973	148	137	140	149	156	166
1974	199	236	203	170	230	221
1975	163	211	200	115	196	152
1976	157	136	195	106	212	148
1977	152	151	189	104	197	146
1978	165	139	206	113	227	146
1979	188	135	176	156	309	189
1980	203	145	181	158	345	249
1981	224	133	158	180	402	350
			(Per cent change)			
1963	4.8	−3.4	−2.2	15.9	11.1	−2.4
1964	20.0	15.5	15.9	27.5	21.7	35.0
1965	24.4	41.2	15.7	32.3	17.8	29.6
1966	10.3	4.4	7.6	11.6	18.6	7.1
1967	−13.1	−15.4	−14.2	−17.7	2.0	−12.0
1968	−12.9	−11.6	−22.0	−2.5	−19.2	6.1
1969	23.5	−6.5	17.6	29.9	19.0	42.9
1970	−18.0	−22.0	−14.0	−17.0	−21.0	−25.0
1971	4.9	11.5	8.1	−3.6	11.4	10.7
1972	33.7	19.5	22.6	46.3	37.5	36.1
1973	28.7	31.7	22.8	27.4	28.9	46.9
1974	34.5	72.3	45.0	14.1	47.4	33.1
1975	−18.1	−10.6	−1.5	−32.4	−14.8	−31.2
1976	−3.7	−35.5	−2.5	−7.8	8.2	−2.6
1977	−3.2	11.0	−3.1	−1.9	−7.1	−1.4
1978	8.6	−7.9	9.0	8.7	15.2	0.0
1979	13.9	−2.9	−14.6	38.1	36.1	29.5
1980	8.0	7.4	2.8	1.3	11.7	31.7
1981	10.3	−8.3	−12.7	13.9	16.5	40.6

Source: Statistics Canada, *Canadian Statistical Review*, cat. 11-003.

Reference Table 37
Index of Productivity and Costs: Commercial Non-Agricultural Industries 1961 – 1980 (1971 = 100)

Years	Output	Persons employed	Total man-hours	Labour compensation	Output per person employed	Output per man-hour	Labour compensation per person employed	Labour compensation per unit of output
D	142855	240203	240263	240557	240323	240353	240587	240647
1961	56.5	75.1	79.7	43.1	75.2	70.9	57.3	76.2
1962	60.2	77.7	82.7	45.7	77.5	72.8	58.8	75.8
1963	63.4	79.9	84.6	48.4	79.4	74.9	60.6	76.4
1964	68.7	83.4	88.3	52.5	82.2	77.7	63.0	76.5
1965	74.1	88.1	92.9	58.4	84.1	79.8	66.3	78.8
1966	79.0	92.3	96.2	65.6	85.6	82.1	71.1	83.0
1967	82.2	93.9	97.4	71.7	87.5	84.4	76.3	87.2
1968	86.8	94.3	96.8	76.5	92.1	89.7	81.1	88.1
1969	92.3	97.7	99.4	85.0	94.4	92.9	86.9	92.1
1970	94.3	98.1	98.9	91.3	96.1	95.4	93.0	96.8
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.4	104.1	103.7	111.5	103.1	103.5	107.1	103.8
1973	116.8	110.6	109.5	129.6	106.2	106.7	117.8	111.0
1974	123.0	115.8	114.5	154.8	106.2	107.5	133.7	125.8
1975	123.0	117.0	114.6	178.4	105.1	107.3	152.5	145.1
1976	129.7	119.1	116.1	204.3	109.0	111.7	171.6	157.5
1977	133.8	122.1	117.5	223.5	109.6	113.9	183.1	167.1
1978	139.0	125.6	121.5	242.7	110.6	114.4	193.2	174.6
1979	145.6	131.2	126.2	272.9	111.0	115.4	208.0	187.4
1980	145.8	133.5	128.2	303.1	109.2	113.7	227.1	207.9
				(Per cent change)				
1962	6.5	3.5	3.8	6.0	3.1	2.7	2.6	−0.5
1963	5.3	2.8	2.3	6.1	2.5	2.9	3.1	0.8
1964	8.2	4.4	4.4	8.5	3.5	3.7	4.0	0.1
1965	8.0	5.6	5.2	11.2	2.3	2.7	5.2	3.0
1966	6.6	4.8	3.6	12.3	1.8	2.9	7.2	5.4
1967	4.1	1.7	1.2	9.1	2.2	2.8	7.3	4.9
1968	5.6	0.4	−0.6	6.8	5.3	6.3	6.3	1.1
1969	6.3	3.6	2.7	11.1	2.5	3.6	7.2	4.5
1970	2.2	0.4	−0.5	7.4	1.8	2.7	7.0	5.1
1971	6.0	1.9	1.1	9.5	4.1	4.8	7.5	3.3
1972	7.4	4.1	3.7	11.5	3.1	3.5	7.1	3.8
1973	8.8	5.7	5.6	16.2	3.0	3.1	10.0	6.9
1974	5.3	5.3	4.6	19.4	0.0	0.7	13.5	13.3
1975	0.0	1.0	0.2	15.2	−1.0	−0.2	14.0	15.3
1976	5.4	1.8	1.3	14.5	3.7	4.1	12.5	8.6
1977	3.2	2.5	1.2	9.4	0.6	2.0	6.7	6.1
1978	3.9	2.9	3.4	8.6	0.9	0.4	5.5	4.5
1979	4.7	4.5	3.8	12.4	−0.4	0.9	7.7	7.3
1980	0.1	1.8	1.6	11.1	−1.6	−1.5	9.2	1.0

Source: Statistics Canada, *Aggregate Productivity Measures*, annual, cat. 14-201. Data for Output prior to 1971 is based on Statistics Canada, *Index of Real Domestic Product by Industry*, annual, cat. 61-005.

Reference Table 38
Index of Productivity and Costs:
Commercial Non-Agricultural Goods-Producing Industries
1961 – 1980
(1971 = 100)

Years	Output	Persons employed	Total man-hours	Labour compensation	Output per person employed	Output per man-hour	Labour compensation per person employed	Labour compensation per unit of output
D		240204	240264	240558	240324	240354	240588	240648
1961	55.6	82.7	84.7	44.7	67.2	65.6	54.0	80.4
1962	60.0	85.3	88.3	47.6	70.4	67.9	55.9	79.4
1963	63.3	87.2	90.1	50.3	72.6	70.3	57.7	79.5
1964	69.1	91.3	94.7	54.9	75.7	73.0	60.2	79.5
1965	75.2	96.3	100.0	61.5	78.1	75.2	63.9	81.7
1966	80.8	100.7	104.1	69.5	80.2	77.6	69.1	86.1
1967	83.2	100.3	102.7	74.6	83.0	81.0	74.4	89.7
1968	88.2	99.7	101.8	79.0	88.5	86.6	79.3	89.5
1969	93.7	101.4	102.6	86.6	92.4	91.3	85.4	92.4
1970	94.7	99.3	100.2	91.5	95.4	94.5	92.2	96.6
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	106.7	102.5	102.6	109.8	104.0	104.0	107.1	103.0
1973	116.4	108.0	107.9	129.2	107.8	107.9	119.6	110.9
1974	120.1	111.0	110.3	154.0	108.2	108.8	138.7	128.2
1975	115.1	109.2	107.5	174.2	105.4	107.0	159.5	151.4
1976	121.2	110.5	108.7	198.4	109.7	111.5	179.5	163.6
1977	123.4	110.0	107.6	216.5	112.2	114.7	196.8	175.4
1978	126.6	111.3	109.3	231.6	113.7	115.8	208.1	183.0
1979	132.3	116.3	113.8	259.0	113.7	116.2	222.6	195.7
1980	129.6	115.5	113.0	283.2	112.3	114.7	245.3	218.5
				(Per cent change)				
1962	7.9	3.1	4.3	6.5	4.8	3.3	3.5	– 1.2
1963	5.5	2.2	2.0	5.7	3.1	3.5	3.2	0.1
1964	9.2	4.7	5.1	9.1	4.3	3.8	4.3	0.0
1965	8.8	5.5	5.6	12.0	3.2	3.0	6.1	2.8
1966	7.4	4.6	4.1	13.0	2.7	3.2	8.1	5.4
1967	3.0	– 0.4	– 1.3	7.3	3.5	4.4	7.7	4.2
1968	6.0	– 0.6	– 0.9	5.9	6.6	6.9	6.6	– 0.2
1969	6.2	1.7	0.8	9.6	4.4	5.4	7.7	3.2
1970	1.1	– 2.1	– 2.3	5.7	3.2	3.5	8.0	4.5
1971	5.6	0.7	– 0.2	9.3	4.8	5.8	8.5	3.5
1972	6.7	2.5	2.6	9.8	4.0	4.0	7.1	3.0
1973	9.1	5.4	5.2	17.7	3.7	3.7	11.7	7.7
1974	3.2	2.8	2.2	19.2	0.4	0.8	16.0	15.6
1975	– 4.2	– 1.6	– 2.5	13.1	– 2.6	– 1.7	15.0	18.1
1976	5.3	1.2	1.1	13.9	4.1	4.2	12.5	8.1
1977	1.8	– 0.5	– 1.0	9.1	2.3	2.9	9.6	7.2
1978	2.6	1.2	1.6	7.0	1.3	1.0	5.7	4.3
1979	4.5	4.5	4.2	11.8	0.0	0.3	7.0	7.0
1980	– 2.0	– 0.8	– 0.7	9.3	– 1.2	– 1.3	10.2	11.6

Source: Statistics Canada, *Aggregate Productivity Measures.*

Reference Table 39
Index of Productivity and Costs: Commercial Services-Producing Industries 1961 – 1980 (1971 = 100)

Years	Output	Persons employed	Total man-hours	Labour compensation	Output per person employed	Output per man-hour	Labour compensation per person employed	Labour compensation per unit of output
D		240202	240262	240556	240322	240352	240586	240646
1961	57.5	69.2	75.7	41.5	83.1	76.0	59.9	72.2
1962	60.5	71.7	78.2	43.7	84.3	77.3	61.0	72.3
1963	63.5	74.2	80.3	46.6	85.6	79.1	62.8	73.4
1964	68.2	77.3	83.2	50.2	88.2	82.0	64.9	73.6
1965	73.1	81.8	87.3	55.4	89.4	83.7	67.8	75.8
1966	77.3	85.8	90.0	61.8	90.0	85.9	72.0	79.9
1967	81.4	89.0	93.2	68.7	91.4	87.3	77.2	84.4
1968	85.5	90.1	92.8	74.0	94.9	92.1	82.2	86.6
1969	91.0	94.9	96.8	83.4	95.9	94.0	87.8	91.6
1970	94.0	97.2	97.8	91.0	96.7	96.1	93.7	96.8
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	108.0	105.3	104.7	113.1	102.5	103.2	107.3	104.7
1973	117.1	111.6	110.8	130.0	105.0	105.7	116.5	111.0
1974	125.7	119.5	117.7	155.7	105.2	106.8	130.2	123.9
1975	130.1	123.1	120.3	182.5	105.7	108.2	148.3	140.3
1976	137.3	125.7	122.0	210.0	109.2	112.6	167.1	153.0
1977	143.1	131.5	125.4	230.4	108.7	114.1	175.1	161.1
1978	150.1	136.8	131.4	253.5	109.7	114.2	185.3	168.9
1979	157.5	142.8	136.1	286.5	110.3	115.8	200.6	181.9
1980	160.3	147.6	140.5	322.7	108.6	114.1	218.7	201.4
				(Per cent change)				
1962	5.2	3.6	3.3	5.3	1.4	1.7	1.8	0.1
1963	5.0	3.5	2.7	6.6	1.5	2.3	3.0	1.4
1964	7.4	4.2	3.6	7.7	3.0	3.7	3.3	0.4
1965	7.2	5.8	4.9	10.4	1.4	2.1	4.5	3.0
1966	5.7	4.9	3.1	11.6	0.7	2.6	6.2	5.4
1967	5.3	3.7	3.6	11.2	1.6	1.6	7.2	5.6
1968	5.0	1.2	−0.4	7.7	3.8	5.5	6.5	2.6
1969	6.4	5.3	4.3	12.7	1.1	2.1	6.8	5.8
1970	3.3	2.4	1.0	9.1	0.8	2.2	6.7	5.7
1971	6.4	2.9	2.2	9.9	3.4	4.1	6.7	3.3
1972	8.0	5.3	4.7	13.1	2.5	3.2	7.3	4.7
1973	8.4	6.0	5.8	14.9	2.4	2.4	8.6	6.0
1974	7.3	7.1	6.2	19.8	−0.2	1.0	11.8	11.6
1975	3.5	2.9	2.2	17.2	0.5	1.3	13.9	13.2
1976	5.5	2.1	1.4	15.1	3.3	4.1	12.7	9.1
1977	4.2	4.6	2.8	9.7	−0.5	1.3	4.8	5.3
1978	4.9	4.0	4.8	10.0	1.0	0.1	5.8	4.8
1979	4.9	4.4	3.6	13.0	0.5	1.4	8.3	7.7
1980	1.8	3.4	3.2	12.7	−1.5	−1.5	9.0	10.7

Source: Statistics Canada, *Aggregate Productivity Measures*

Reference Table 40
Index of Productivity and Costs: Manufacturing Industries
1961 – 1980
(1971 = 100)

Years	Output	Persons employed	Total man-hours	Labour compensation	Output per person employed	Output per man-hour	Labour compensation per person employed	Labour compensation per unit of output
D	142707	240186	240246	240546	240306	240336	240576	240636
1961	54.4	83.6	84.4	46.9	65.1	64.4	56.1	86.1
1962	59.4	85.8	87.6	50.1	69.2	67.8	58.3	84.3
1963	63.4	88.0	90.1	53.3	72.1	70.4	60.6	84.1
1964	69.5	92.0	94.6	58.1	75.6	73.5	63.2	83.6
1965	75.8	96.7	99.4	64.1	78.4	76.2	66.3	84.6
1966	81.5	101.3	103.4	71.9	80.5	78.9	71.0	88.2
1967	83.9	101.7	103.1	77.2	82.5	81.4	75.9	92.0
1968	89.1	101.0	102.5	82.4	88.3	86.9	81.6	92.4
1969	95.8	102.9	104.1	89.9	93.1	92.0	87.3	93.8
1970	94.5	100.6	101.2	94.0	94.0	93.4	93.5	99.5
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.7	103.1	103.2	110.6	104.5	104.4	107.2	102.6
1973	119.1	107.8	107.2	126.7	110.4	111.0	117.5	106.4
1974	123.4	110.0	108.7	148.7	112.2	113.5	135.2	120.5
1975	116.2	107.5	105.1	164.0	108.0	110.6	152.6	141.2
1976	123.1	108.0	105.6	188.4	114.0	116.5	174.5	153.1
1977	125.5	105.8	103.6	205.0	118.6	121.2	193.7	163.3
1978	131.9	109.2	107.1	226.2	120.8	123.1	207.2	171.5
1979	138.1	113.2	110.2	256.5	122.0	125.2	226.6	185.8
1980	133.7	111.9	108.9	279.2	119.5	122.8	249.6	208.8
				(Per cent change)				
1962	9.2	2.6	3.8	6.8	6.3	5.3	3.9	– 2.1
1963	6.7	2.6	2.9	6.4	4.2	3.8	3.9	– 0.2
1964	9.6	4.5	5.0	9.0	4.9	4.4	4.3	– 0.6
1965	9.1	5.1	5.1	10.3	3.7	3.7	4.9	1.2
1966	7.5	4.8	4.0	12.2	2.7	3.5	7.1	4.3
1967	2.9	0.4	– 0.3	7.4	2.5	3.2	6.9	4.3
1968	6.2	– 0.7	– 0.6	6.7	7.0	6.8	7.5	0.4
1969	7.5	1.9	1.6	9.1	5.4	5.9	7.0	1.5
1970	– 1.4	– 2.2	– 2.8	4.6	1.0	1.5	7.1	6.1
1971	5.8	– 0.6	– 1.2	6.4	6.4	7.1	6.9	0.5
1972	7.7	3.1	3.2	10.6	4.5	4.4	7.2	2.6
1973	10.6	4.6	3.9	14.6	5.6	6.3	9.6	3.7
1974	3.6	2.0	1.4	17.4	1.6	2.3	15.1	13.3
1975	– 5.8	– 2.3	– 3.3	10.3	– 3.7	– 2.6	12.9	17.2
1976	5.9	0.5	0.5	14.9	5.6	5.3	14.4	8.4
1977	1.9	– 2.0	– 1.9	8.8	4.0	4.0	11.0	6.7
1978	5.1	3.2	3.4	10.3	1.9	1.6	6.9	5.0
1979	4.7	3.7	3.0	13.4	1.0	1.7	9.4	8.3
1980	– 3.2	– 1.1	– 1.2	8.8	– 2.0	– 1.9	10.2	12.4

Source: Statistics Canada, *Aggregate Productivity Measures*.

Reference Table 41
Average Weekly Wages and Salaries by Industrial Division
1961 – 1981

Years	Primary[1] industries	Manufacturing	Construction	Transportation, communication and other utilities	Trade[2]	Finance, insurance and real estate	Service	Industrial composite
D		1442	1445	1446		1449	1450	1439
				(Dollars)				
1961	92.85	81.54	86.93	82.48	66.24	72.81	57.84	78.24
1962	95.82	83.99	89.36	86.44	68.09	75.34	59.27	80.54
1963	99.44	86.89	93.59	90.10	70.36	77.62	60.39	83.28
1964	103.47	90.41	98.48	93.68	72.82	81.85	62.38	86.50
1965	108.94	94.78	106.68	99.09	75.45	88.29	65.76	91.01
1966	116.89	100.13	119.56	103.65	78.87	93.00	70.18	96.30
1967	126.62	106.53	130.47	113.13	83.51	99.00	75.35	102.79
1968	136.58	114.40	137.25	122.66	89.58	106.17	79.35	109.92
1969	146.13	122.94	149.85	132.54	96.86	113.81	84.17	117.83
1970	159.98	132.84	166.40	142.26	103.81	120.52	90.64	126.78
1971	173.11	143.99	188.27	154.14	112.33	129.59	98.56	137.64
1972	187.16	156.10	209.93	168.03	122.44	140.79	107.32	149.22
1973	208.83	167.48	225.45	181.89	131.55	154.44	114.53	160.45
1974	235.49	185.62	250.30	204.39	145.36	172.25	126.11	178.08
1975	274.88	213.43	290.95	233.98	165.34	193.12	143.68	203.34
1976	311.77	241.19	331.02	262.02	183.67	213.71	160.49	228.03
1977	341.76	266.04	369.88	291.15	199.20	229.57	171.28	249.95
1978	367.41	285.68	389.64	313.28	211.21	248.43	180.00	265.37
1979	409.91	311.19	422.28	341.45	229.34	272.10	193.20	288.25
1980	457.13	342.19	461.51	381.17	250.83	304.37	211.17	317.38
1981	519.39	383.46	521.64	428.00	276.50	353.42	235.00	355.77
				(Per cent change)				
1962	3.2	3.0	2.8	4.8	2.8	3.5	2.5	2.9
1963	3.8	3.5	4.7	4.2	3.3	3.0	1.9	3.4
1964	4.1	4.0	5.2	4.0	3.5	5.5	3.3	3.9
1965	5.3	4.8	8.3	5.8	3.6	7.9	5.4	5.2
1966	7.3	5.6	12.1	4.6	4.5	5.3	6.7	5.8
1967	8.3	6.4	9.1	9.1	5.9	6.4	7.4	6.7
1968	7.9	7.4	5.2	8.4	7.3	7.2	5.3	6.9
1969	7.0	7.5	9.2	8.1	8.1	7.2	6.1	7.2
1970	9.5	8.1	11.0	7.3	7.2	5.9	7.7	7.6
1971	8.2	8.4	13.1	8.4	8.2	7.5	8.7	8.6
1972	8.1	8.4	11.5	9.0	9.0	8.6	8.9	8.4
1973	11.6	7.3	7.4	8.3	7.5	9.7	6.7	7.5
1974	12.8	10.8	11.0	12.4	10.5	11.5	10.1	11.0
1975	16.7	15.0	16.2	14.5	13.7	12.1	13.9	14.2
1976	13.4	13.0	13.8	12.0	11.1	10.7	11.7	12.1
1977	9.6	10.3	11.7	11.1	8.5	7.4	6.7	9.6
1978	7.5	7.4	5.3	7.6	6.0	8.2	5.1	6.2
1979	11.3	8.9	8.4	9.0	8.6	9.5	7.3	8.6
1980	11.8	10.0	9.3	11.6	9.4	11.9	9.3	10.1
1981	13.6	12.2	13.0	12.3	10.2	16.1	11.3	12.1

[1] Forestry and mining (including milling). Estimated by the Department of Finance.
[2] Estimated by the Department of Finance.

Source: Statistics Canada, *Employment, Earnings and Hours.*

Reference Table 42

Annual Average Wage Changes Provided by Major Collective Agreements (without COLA)[1] (Percentage changes on a life-of-contract basis) 1967 – 1981

Years	Primary industries	Manufacturing	Transportation and communication	Trade finance, insurance, etc.	Non-commercial	Public administration	Total commercial	Total non commercial	All industries
1967	8.1	7.7	7.4	9.1	9.2	12.0	7.7	11.0	8.3
1968	9.3	7.9	7.3	9.9	9.7	7.5	7.8	7.9	7.9
1969	8.9	8.4	7.5	9.6	6.9	7.5	8.2	7.2	7.7
1970	8.3	8.6	8.8	9.3	9.0	8.0	8.7	8.4	8.6
1971	9.4	7.8	7.4	11.3	8.5	7.4	7.9	7.8	7.8
1972	9.8	9.6	8.3	11.3	7.8	7.8	9.6	7.8	8.8
1973	13.3	11.5	11.8	12.1	10.0	9.8	11.9	9.9	10.9
1974	20.0	16.1	13.6	20.1	21.5	12.6	15.2	14.4	14.7
1975	24.5	16.4	17.6	18.3	21.6	18.5	17.6	19.9	19.2
1976	9.2	10.5	11.7	10.0	11.0	11.1	10.7	11.1	10.9
1977	6.7	7.8	7.9	8.4	6.9	8.6	7.9	7.9	7.9
1978	6.3	7.7	7.1	9.9	6.5	6.8	7.6	6.7	7.1
1979	8.5	9.9	8.9	10.2	8.1	8.4	9.4	8.2	8.7
1980	12.9	12.1	10.9	11.3	11.0	10.8	11.5	10.9	11.1
1981	15.3	12.7	14.1	14.0	13.7	12.7	13.9	13.2	13.4

[1] Agreements covering 500 or more employees (excluding construction). Percentage increases refer to base wage rates, the lowest paid classification used for qualified workers in the bargaining unit.

Source: Labour Canada, *Wage Developments Resulting from Major Collective Bargaining Settlements*, annual and quarterly.

Reference Table 43
Gross National Expenditure Implicit Price Indexes[1]
1947 – 1981
(1971 = 100)

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Terms of Trade	Gross national expenditure
			Total	Government	Business	Housing				
D	40626	40631	40632	40633		40637	40640	40642		40625
1947	50.5	28.3	44.2	48.5	43.6	41.9	59.3	56.2	105.5	45.7
1948	57.3	32.3	50.1	54.4	49.0	49.1	63.6	62.8	101.3	51.3
1949	59.4	34.6	52.5	56.6	51.5	51.2	66.8	64.9	102.9	53.5
1950	61.2	35.9	54.8	58.9	53.8	53.8	69.8	69.4	100.7	54.8
1951	67.4	40.2	62.6	69.9	60.8	62.0	77.6	76.7	101.2	61.0
1952	69.0	42.0	64.6	71.5	63.0	63.1	76.7	71.3	107.4	63.7
1953	68.8	43.0	64.7	67.3	63.9	63.7	74.9	71.2	105.1	63.6
1954	69.5	44.7	64.5	67.4	63.8	63.1	74.3	71.4	104.0	64.6
1955	69.5	46.2	66.4	72.5	65.2	64.3	77.3	72.6	106.4	65.0
1956	70.6	49.4	69.9	80.3	68.8	65.3	79.4	75.0	105.8	67.4
1957	72.8	51.9	70.9	75.8	70.3	67.2	79.0	76.9	102.7	68.8
1958	74.7	53.5	70.4	71.9	71.0	67.0	78.7	78.0	100.8	69.8
1959	75.6	55.3	70.9	72.2	72.0	66.9	79.8	77.5	103.0	71.2
1960	76.3	57.3	71.9	72.8	72.7	68.2	80.3	78.2	102.8	72.1
1961	76.8	59.1	71.4	70.4	72.7	68.8	81.3	80.3	101.2	72.4
1962	77.8	60.6	72.4	71.4	74.1	68.6	84.5	84.0	100.6	73.4
1963	79.0	63.1	74.4	74.0	76.1	70.1	85.3	85.9	99.3	74.8
1964	80.0	65.2	77.0	76.3	78.8	73.0	87.1	86.6	100.5	76.6
1965	81.6	68.2	81.1	81.3	82.3	77.2	88.7	87.3	101.6	79.1
1966	84.3	72.8	85.3	85.9	85.9	82.2	91.1	89.2	102.2	82.6
1967	87.2	77.8	87.1	86.8	87.2	87.0	93.0	90.7	102.6	85.9
1968	90.8	82.2	87.7	87.0	87.8	87.9	94.3	93.0	101.4	88.7
1969	94.3	89.0	91.4	91.2	91.2	92.1	96.4	95.6	100.8	92.6
1970	97.7	94.2	95.3	95.3	95.6	94.1	99.7	98.2	101.6	96.9
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.0	107.2	105.0	105.2	104.0	107.1	103.9	103.1	100.8	105.0
1973	111.6	116.4	114.0	114.8	110.2	123.8	117.4	111.2	105.6	114.6
1974	124.2	135.1	133.4	138.0	126.7	147.9	152.2	134.3	113.3	132.1
1975	137.3	156.0	150.2	153.2	143.8	167.8	168.6	153.6	109.8	146.3
1976	147.4	176.7	163.9	163.7	154.7	187.7	173.9	155.4	111.9	160.2
1977	158.3	193.7	177.4	176.0	166.6	208.2	187.4	174.3	107.4	171.5
1978	170.0	209.5	191.8	188.9	180.2	227.9	203.6	197.9	103.0	182.4
1979	185.6	227.2	210.9	207.3	199.0	255.5	242.7	227.0	106.8	201.3
1980	205.2	254.4	229.7	225.6	218.6	281.0	281.3	262.4	107.1	222.7
1981	227.9	285.0	255.6	252.3	241.6	322.1	304.2	291.8	104.2	245.0

Reference Table 43 (continued)
Gross National Expenditure Implicit Price Indexes[1]
1947 – 1981

Years	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Terms of Trade	Gross national expenditure
			Total	Government	Business	Housing				
	(Per cent change)									
1947	9.1	7.7	10.5	9.7	9.9	12.8	−11.0	12.0	0.0	8.8
1948	13.5	14.1	13.3	12.3	12.4	17.1	7.2	11.8	−4.0	12.3
1949	3.6	7.1	4.8	3.9	5.1	4.3	5.0	3.3	1.6	4.3
1950	3.1	3.9	4.5	4.2	4.4	4.9	4.6	7.0	−2.2	2.3
1951	10.2	11.8	14.1	18.7	12.9	15.3	11.1	10.4	0.5	11.5
1952	2.3	4.5	3.2	2.2	3.7	1.9	−1.1	−7.0	6.2	4.3
1953	−0.2	2.5	0.2	−5.8	1.4	0.9	−2.4	−0.1	−2.1	−0.1
1954	0.9	4.0	−0.3	0.1	0.0	−0.8	−0.8	0.3	−1.1	1.6
1955	0.0	3.3	2.9	7.6	2.2	1.9	4.0	1.7	2.3	0.6
1956	1.6	7.0	5.3	10.8	5.5	1.6	2.7	3.3	−0.6	3.6
1957	3.1	5.1	1.4	−5.6	2.2	2.8	−0.5	2.5	−2.9	2.1
1958	2.6	3.0	−0.7	−5.1	0.9	−0.3	−0.4	1.4	−1.8	1.4
1959	1.1	3.4	0.8	0.3	1.5	−0.1	1.5	−0.6	2.1	2.1
1960	0.9	3.6	1.3	0.9	0.9	2.0	0.6	0.9	−0.2	1.2
1961	0.7	3.2	−0.6	−3.3	0.1	0.8	1.2	2.7	−1.5	0.5
1962	1.3	2.4	1.3	1.5	1.9	−0.3	3.9	4.6	−0.6	1.4
1963	1.5	4.1	2.8	3.6	2.7	2.3	0.9	2.3	−1.3	1.9
1964	1.3	3.5	3.5	3.1	3.5	4.1	2.1	0.8	1.2	2.5
1965	1.9	4.5	5.2	6.5	4.5	5.8	1.8	0.7	1.1	3.2
1966	3.3	6.7	5.2	5.7	4.3	6.5	2.7	2.2	0.5	4.4
1967	3.4	6.8	2.2	1.0	1.6	5.8	2.0	1.7	0.4	3.9
1968	4.2	5.7	0.7	0.2	0.7	1.0	1.4	2.6	−1.1	3.3
1969	3.9	8.3	4.2	4.9	3.8	4.8	2.2	2.8	−0.6	4.4
1970	3.6	5.8	4.2	4.5	4.8	2.2	3.5	2.7	0.8	4.7
1971	2.4	3.2	4.9	4.9	4.6	6.3	0.3	1.8	−1.5	3.2
1972	4.0	7.2	5.0	5.2	4.0	7.1	3.9	3.1	0.7	5.0
1973	7.3	8.6	8.6	9.1	5.9	15.6	13.0	7.9	4.8	9.2
1974	11.3	16.1	17.0	20.3	15.0	19.4	29.6	20.7	7.6	15.3
1975	10.6	15.4	12.5	11.0	13.5	13.5	10.8	14.4	−3.4	10.8
1976	7.4	13.3	9.1	6.9	7.6	11.9	3.1	1.2	2.0	9.5
1977	7.4	9.6	8.2	7.5	7.7	10.9	7.8	12.2	−4.0	7.1
1978	7.4	8.2	8.2	7.3	8.1	9.5	8.6	13.5	−4.1	6.4
1979	9.2	8.4	9.9	9.7	10.4	12.1	19.2	14.7	3.7	10.4
1980	10.5	12.0	9.0	8.8	9.8	10.0	15.9	15.7	0.3	10.6
1981	11.1	12.0	11.3	11.8	10.5	14.6	8.1	11.2	−2.8	10.0

[1] These implicit price indexes are currently weighted price indexes. They reflect not only pure price change, but also changing expenditure patterns within and between major groups. The implicit price index for gross national expenditure is derived by dividing the total of current dollars by the total of constant dollars.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 44
Consumer Price Indexes: Standard Classifications
1961 – 1981
(1971 = 100)

Years	All items	Food	Housing	Clothing	Trans-portation	Health and personal care	Recreation and reading	Tobacco and alcohol
D	484000	484001	484126	484214	484319	484344	484372	484404
1961	74.9	76.1	73.1	77.7	77.0	70.2	73.7	77.8
1962	75.8	77.5	73.9	78.4	76.9	71.6	74.4	78.7
1963	77.2	80.0	74.8	80.4	76.9	73.4	75.4	78.9
1964	78.6	81.3	76.0	82.4	77.7	75.9	76.6	80.4
1965	80.5	83.4	77.3	83.8	80.7	79.4	77.9	81.7
1966	83.5	88.7	79.4	87.0	82.6	81.8	80.1	83.7
1967	86.5	89.9	82.9	91.3	86.1	86.0	84.2	85.8
1968	90.0	92.8	86.7	94.1	88.3	89.5	88.3	93.6
1969	94.1	96.7	91.2	96.7	92.4	93.8	93.6	97.2
1970	97.2	98.9	95.7	98.5	96.1	98.0	96.8	98.4
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.8	107.6	104.7	102.6	102.6	104.8	102.8	102.7
1973	112.8	123.3	111.4	107.7	105.3	109.8	107.1	106.0
1974	125.0	143.4	121.2	118.0	115.8	119.4	116.5	111.8
1975	138.5	161.9	133.2	125.1	129.4	133.0	128.5	125.3
1976	148.9	166.2	148.0	132.0	143.3	144.3	136.2	134.3
1977	160.8	180.1	161.9	141.0	153.3	155.0	142.7	143.8
1978	175.1	208.0	174.1	146.4	162.2	166.2	148.2	155.5
1979	191.2	235.3	186.2	159.9	178.0	181.2	158.4	166.7
1980	210.6	260.6	201.4	178.7	200.7	199.3	173.5	185.3
1981	236.9	290.4	226.4	191.4	237.6	221.0	191.0	209.2
				(Per cent change)				
1961	0.9	1.5	0.5	1.5	0.3	0.5	1.2	0.5
1962	1.2	1.9	1.1	0.8	−0.2	2.0	0.9	1.2
1963	1.8	3.2	1.2	2.6	0.0	2.5	1.3	0.3
1964	1.8	1.6	1.6	2.5	1.0	3.4	1.7	1.9
1965	2.4	2.6	1.7	1.7	3.9	4.6	1.7	1.6
1966	3.7	6.4	2.7	3.8	2.4	3.0	2.8	2.4
1967	3.6	1.4	4.4	4.9	4.2	5.1	5.1	2.5
1968	4.0	3.2	4.6	3.1	2.6	4.1	4.9	9.1
1969	4.6	4.2	5.2	2.8	4.6	4.8	6.0	3.8
1970	3.3	2.3	4.9	1.9	4.0	4.5	3.4	1.2
1971	2.9	1.0	4.5	1.5	4.1	2.0	3.3	1.6
1972	4.8	7.6	4.6	2.6	2.7	4.8	2.8	2.7
1973	7.6	14.6	6.5	5.0	2.6	4.8	4.2	3.1
1974	10.9	16.3	8.7	9.6	9.9	8.7	8.8	5.5
1975	10.8	12.9	10.0	6.0	11.8	11.4	10.3	12.1
1976	7.5	2.7	11.1	5.6	10.8	8.5	6.0	7.1
1977	8.0	8.3	9.4	6.8	7.0	7.4	4.7	7.1
1978	8.9	15.5	7.5	3.9	5.8	7.2	3.9	8.1
1979	9.1	13.2	7.0	9.2	9.7	9.1	6.9	7.2
1980	10.2	10.7	8.2	11.7	12.8	9.9	9.5	11.2
1981	12.5	11.4	12.4	7.1	18.4	10.9	10.1	12.9

Source: Statistics Canada, *Prices and Price Indexes*, monthly, cat. 62-002.

Reference Table 45
Consumer Price Indexes: Reclassified by Goods and Services
1961 – 1981
(1971 = 100)

Years	Total consumer price index	Total excluding food	Total commodities	Total commodities excluding food	Non-durables	Non-durables excluding food	Durables	Total services[1]	Services excluding shelter
D	484000	488806	488801	488814	488804	488815	488802	488805	488816
1961	74.9	74.6	79.9	82.7	77.3	79.4	94.0	66.6	66.5
1962	75.8	75.3	80.7	83.0	78.4	80.1	93.1[1]	67.8	67.7
1963	77.2	76.2	82.1	83.7	80.0	80.0	93.3	68.9	68.8
1964	78.6	77.6	83.1	84.5	81.2	81.1	92.4	70.9	70.9
1965	80.5	79.4	84.5	85.4	83.0	82.4	92.2	73.5	74.7
1966	83.5	81.7	87.8	87.3	87.0	84.5	92.2	76.1	77.6
1967	86.5	85.3	90.0	90.4	88.6	86.9	94.8	80.2	82.2
1968	90.0	89.0	93.4	93.7	92.4	91.5	96.3	84.4	85.8
1969	94.1	93.1	96.3	96.1	95.9	94.7	97.2	90.0	91.4
1970	97.2	96.7	98.2	97.9	98.1	97.0	98.4	95.3	96.0
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.8	103.7	104.6	102.3	105.8	102.9	101.2	105.2	104.7
1973	112.8	109.0	113.7	106.4	118.1	108.3	102.6	111.6	109.8
1974	125.0	118.6	128.1	116.7	135.3	120.4	110.4	120.5	119.4
1975	138.5	130.5	142.0	127.7	152.7	136.0	118.9	133.4	135.2
1976	148.9	142.8	149.0	136.1	160.0	147.6	125.3	149.6	153.1
1977	160.8	154.0	160.0	145.2	173.0	158.9	131.7	163.2	166.9
1978	175.1	163.9	176.2	153.8	194.4	170.5	139.4	174.3	178.0
1979	191.2	176.9	194.9	167.9	216.2	185.7	152.8	186.5	192.5
1980	210.6	194.6	217.2	187.5	242.6	210.4	169.4	201.8	211.0
1981	236.9	219.5	245.7	213.0	281.2	252.7	185.4	225.0	236.6
				(Per cent change)					
1962	1.2	1.0	0.9	0.3	1.5	0.8	−0.9	1.7	1.8
1963	1.8	1.2	1.7	0.8	2.0	−0.1	0.1	1.6	1.6
1964	1.8	1.8	1.2	1.0	1.5	1.4	−1.0	2.9	3.1
1965	2.4	2.3	1.7	1.1	2.2	1.6	−0.2	3.7	5.4
1966	3.7	2.9	3.9	2.2	4.8	2.5	3.0	3.5	3.9
1967	3.6	4.4	2.5	3.6	1.8	2.8	2.8	5.4	5.9
1968	4.0	4.3	3.8	3.7	4.3	5.3	1.6	5.2	4.5
1969	4.6	4.6	3.1	2.6	3.8	3.5	0.9	6.6	6.3
1970	3.3	3.9	2.0	1.9	2.3	2.4	1.2	5.9	5.1
1971	2.9	3.4	1.8	2.1	1.9	3.1	1.6	4.9	4.2
1972	4.8	3.7	4.5	2.3	5.9	2.9	1.2	5.1	4.7
1973	7.6	5.1	8.8	4.0	11.6	5.3	1.4	6.2	4.8
1974	10.9	8.8	12.6	9.7	14.5	11.2	7.6	8.0	8.8
1975	10.8	10.1	10.9	9.4	12.9	12.9	7.7	10.7	13.2
1976	7.5	9.4	4.9	6.6	4.8	8.6	5.4	12.2	13.2
1977	8.0	7.9	7.4	6.7	8.1	7.7	5.1	9.0	9.0
1978	8.9	6.4	10.2	6.0	12.4	7.2	5.8	6.8	6.7
1979	9.1	7.9	10.6	9.2	11.2	8.9	9.6	7.0	8.1
1980	10.2	10.0	11.5	11.6	12.2	13.3	10.9	8.2	9.6
1981	12.5	12.8	13.1	13.6	15.9	20.1	9.5	11.5	12.1

[1] Includes new houses, property taxes, and mortgage interest, but excludes the commodity component of shelter repairs.

Source: Statistics Canada, *Prices and Price Indexes*.

Reference Table 46
Energy Prices
1961 – 1981

Year	Consumer prices					Crude oil prices		Industrial electricity
	Gasoline	Natural gas	Electricity	Fuel oil	Total energy	Imported-CIF Montreal	Wellhead-Alberta	(>5000 kwh)
	(Per cent change)					(Dollars per barrel)		(Per cent change)
1961	0.5	0.2	0.4	−3.8	—	2.10	—	—
1962	−0.2	0.7	−1.0	−1.9	—	2.32	2.61	—
1963	−1.3	0.0	0.2	−3.9	—	2.51	2.65	—
1964	4.4	0.0	−0.4	−4.9	—	2.47	2.65	—
1965	1.4	0.2	−1.6	0.0	—	2.47	2.65	—
1966	4.4	−0.4	0.1	−0.2	—	2.39	2.65	—
1967	2.4	0.1	7.3	1.8	—	2.64	2.65	—
1968	3.6	1.6	5.0	4.2	—	2.99	2.65	—
1969	2.5	−0.2	2.4	2.3	—	2.61	2.65	—
1970	2.3	−1.2	8.6	2.1	—	2.43	2.66	—
1971	3.5	1.5	3.4	9.6	—	2.95	2.85	—
1972	0.8	0.6	2.7	6.1	2.8	2.86	2.86	1.0
1973	6.8	1.6	8.1	15.7	9.0	3.95	3.48	6.0
1974	16.6	10.1	3.8	29.3	15.2	11.29	5.83	11.3
1975	13.2	20.8	11.6	13.5	13.5	12.59	7.25	10.5
1976	12.4	29.0	16.0	16.1	15.4	12.88	8.53	16.7
1977	8.6	13.1	17.0	15.5	12.2	15.16	10.25	30.5
1978	5.6	18.8	8.1	14.0	9.3	16.28	12.25	10.7
1979	10.2	5.5	8.7	12.4	9.8	22.86	13.25	9.7
1980	19.0	11.8	9.3	20.2	16.0	36.96	15.58	13.6
1981	36.0	27.4	8.8	43.4	30.1	42.99	18.88	n.a.

Source: Consumer prices are from Statistics Canada, *The Consumer Price Index*, cat. 62-001. Data for total energy are not published for the period prior to 1972.

Reference Table 47
Other Price Indexes
1961 – 1981
(1971 = 100)

Years	World commodity prices[1]		Industry selling price index			Building materials		Merchandise export prices	Merchandise import prices	Terms of trade[2]
	Total	Food	Total	Food	Non-food	Residential	Non-residential			
D			500000	500001	634401	610002	476602	40641	40643	
					(1971 = 100)					
1961	79.0	65.1	82.4	78.2	83.7	69.3	74.6	85.1	84.0	101.4
1962	77.2	63.1	83.3	79.8	84.4	69.7	74.0	88.8	87.9	101.1
1963	87.6	77.8	84.4	82.6	85.0	72.1	75.9	89.2	90.0	99.1
1964	94.8	84.7	85.1	83.1	85.8	75.8	79.6	91.0	90.5	100.6
1965	95.7	83.7	86.2	83.9	87.0	80.2	83.2	92.1	90.2	102.2
1966	100.5	85.1	88.7	88.4	88.8	83.9	86.1	94.3	91.9	102.6
1967	95.1	84.7	90.4	89.1	90.9	86.8	87.9	95.1	92.7	102.6
1968	93.6	83.4	92.3	90.3	93.0	91.5	90.1	96.2	94.8	101.5
1969	101.7	89.8	95.8	94.9	96.1	96.4	94.1	97.7	97.0	100.8
1970	107.2	101.8	98.1	97.2	98.3	95.3	96.7	100.6	98.6	102.0
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.1
1972	129.4	134.8	104.4	108.6	103.4	109.8	104.9	103.3	102.3	101.0
1973	210.8	211.4	116.1	131.3	112.3	124.0	113.1	118.2	110.0	107.5
1974	259.1	283.2	138.1	155.0	133.8	135.2	137.3	157.2	135.5	116.0
1975	224.9	255.1	153.7	170.9	149.3	139.7	147.0	173.2	156.6	110.6
1976	263.3	296.3	161.5	173.7	158.3	153.6	156.6	176.6	157.9	111.8
1977	319.7	389.2	174.3	185.9	171.3	165.2	165.6	189.2	177.1	106.8
1978	336.1	405.0	190.4	205.6	186.4	184.1	179.4	205.8	200.8	102.5
1979	409.8	479.9	217.9	231.7	214.1	207.0	208.7	249.2	229.6	108.5
1980	482.7	592.2	247.2	256.6	244.3	215.2	230.2	290.6	267.5	108.6
1981	427.2	519.2	272.2	279.3	269.9	236.3	253.1	311.4	296.2	105.1
					(Per cent change)					
1961	−2.8	−2.3	0.3	2.2	—	−0.7	−0.9	0.7	3.0	−2.3
1962	−2.3	−3.0	1.1	2.0	0.8	0.6	−0.9	4.3	4.6	−0.3
1963	13.4	23.3	1.4	3.5	0.7	3.4	2.7	0.5	2.4	−1.9
1964	8.2	8.9	0.8	0.6	0.9	5.1	4.8	2.0	0.5	1.5
1965	1.0	−1.2	1.3	1.0	1.4	5.8	4.5	1.3	−0.3	1.6
1966	5.0	1.7	2.9	5.4	2.1	4.6	3.5	2.4	1.9	0.4
1967	−5.4	−0.5	2.0	0.8	2.4	3.5	2.1	0.8	0.9	0.0
1968	−1.6	−1.5	2.1	1.4	2.3	5.4	2.5	1.2	2.3	−1.1
1969	8.6	7.7	3.8	5.1	3.3	5.4	4.5	1.5	2.2	−0.7
1970	5.4	13.3	2.4	2.4	2.3	−1.1	2.7	2.9	1.7	1.2
1971	−6.7	−1.8	1.9	2.9	1.7	4.9	3.4	−0.6	1.4	−1.9
1972	29.3	34.8	4.4	8.7	3.4	9.8	4.9	3.3	2.4	0.9
1973	63.0	56.8	11.2	20.9	8.5	12.9	7.8	14.3	7.5	6.4
1974	22.9	34.0	19.0	18.0	19.2	9.0	21.4	33.1	23.2	8.0
1975	−13.2	−9.9	11.3	10.2	11.6	3.4	7.1	10.2	15.6	−4.7
1976	17.1	16.2	5.1	1.6	6.1	9.9	6.5	1.9	0.8	1.1
1977	21.4	31.3	7.9	7.0	8.2	7.5	5.7	7.1	12.2	−4.5
1978	5.1	4.1	9.2	10.6	8.8	11.4	8.4	8.8	13.4	−4.1
1979	21.9	18.5	14.5	12.7	14.9	12.5	16.3	21.1	14.3	5.9
1980	17.8	23.4	13.5	10.7	14.1	4.0	10.3	16.6	16.5	0.1
1981	−11.5	−12.3	10.1	8.9	10.5	9.8	10.0	7.1	10.7	−3.2

(1) *The Economist*.
(2) The index of the ratio of merchandise export prices to merchandise import prices.

Source: Statistics Canada, *Prices and Price Indexes*; Statistics Canada, *Trade of Canada Exports*, monthly, cat. 65-004; Statistics Canada, *Trade of Canada Imports*, monthly, cat. 65-007; and Statistics Canada, *Index Numbers of Farm Prices of Agricultural Products*, cat. 62-529.

Reference Table 48
An International Comparison of Total Government and Central Government Total Expenditures as Percentages of Gross Domestic or Gross National Product 1973 – 1979

	Average 1969-72	1973	1974	1975	1976	1977	1978	1979
Total Government[1]								
Australia[2]	26.4	26.9	30.2	32.4	33.0	34.3	33.9	—
Austria	38.4	38.8	40.2	43.2	44.6	44.8	—	—
Canada	36.4	36.5	37.9	41.3	40.2	41.3	41.9	40.3
Denmark	39.1	38.0	41.8	44.4	43.0	—	—	—
France	38.4	38.1	39.2	43.0	43.0	43.8	44.7	45.0
Germany	36.7	38.7	41.4	45.3	44.4	44.3	44.5	44.2
Italy	36.8	38.6	38.4	41.9	41.5	41.9	44.8	44.2
Japan	19.7	21.3	23.4	26.2	26.8	28.1	29.4	30.5
Netherlands	45.3	47.6	49.9	54.4	54.6	55.1	56.7	58.3
Norway	42.0	44.5	44.5	46.5	48.5	50.1	52.3	51.4
Sweden	44.3	45.2	48.3	49.2	51.8	57.7	59.6	61.4
United Kingdom	38.1	39.6	44.5	46.1	45.4	43.4	42.9	43.3
United States[3]	32.4	31.9	33.5	35.9	35.0	34.1	33.3	33.0
Average[4]	36.5	37.4	39.5	42.3	42.4	43.2	44.0	44.1
Central Government[5]								
Australia[2]	13.2	13.5	14.8	16.0	16.5	—	—	—
Austria	16.9	15.1	15.7	17.1	17.9	18.0	—	—
Canada								
Excluding C/QPP	14.0	14.3	15.4	16.8	15.8	16.2	16.5	15.6
Including C/QPP	14.2	14.6	15.8	17.3	16.4	16.9	17.3	16.5
France	17.9	16.9	17.0	18.3	17.9	18.2	18.4	18.2
Germany	9.2	9.3	9.4	10.7	10.4	10.4	10.6	10.6
Italy[6]	15.9	15.9	15.7	17.2	17.2	18.2	20.1	20.0
Japan[6]	5.0	5.2	5.7	5.9	6.2	6.6	6.9	7.4
Netherlands	14.4	14.5	14.8	16.2	16.2	16.4	16.9	17.6
Norway	29.1	31.0	31.2	32.5	34.0	32.5	34.0	33.7
Sweden	18.4	19.6	20.4	20.7	22.0	24.3	25.6	26.8
United Kingdom	19.9	20.3	23.4	24.0	24.0	23.6	23.9	24.6
United States[3]	18.0	17.0	17.9	19.6	19.1	18.8	18.2	18.2
Average[7]	16.0	16.1	16.8	18.0	18.2	18.4	18.9	19.0

[1] Includes all levels of government and the social security system, but excludes public corporations and public financial institutions.
[2] Excludes social security benefits.
[3] To conform to Canadian national accounts conventions and to facilitate Canada-United States comparisons, the current surpluses of government enterprises and the interest received by the government have been added to government expenditures. In the United States national accounts these items are netted out of subsidies and interest payments respectively.
[4] The 1977, 1978 and 1979 averages are based on the assumption that the 1976 GDP expenditure share of Denmark, the 1977 share of Austria and the 1978 share of Australia prevailed in the following years.
[5] Net of transfers to other levels of government.
[6] Average for 1970-72 instead of the average for 1969-72.
[7] The 1977, 1978 and 1979 averages are based on the assumption that the 1976 GDP expenditure share of Australia and the 1978 GDP expenditure of Austria prevailed in the following years. The averages for the whole period are based on Canadian estimates including C/QPP.

Source: OECD, *National Accounts of OECD Countries*, 1979, volume II; Statistics Canada, *National Income and Expenditure Accounts*, and for the U.S. *Economic Report of the President* and the *Survey of Current Business*.

Reference Table 49
Total Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Direct taxes persons	Direct taxes corporations	Withholding taxes	Indirect taxes	Transfers from persons	Investment income	Capital consumption allowances	Total CPP and QPP[1]	Total revenues[2]
D	30516	30522	30525	30526	30530	30535	30548		
				(Millions of dollars)					
1947	927	702	35	1,855	35	261	146	—	3,961
1948	986	687	41	1,907	47	261	171	—	4,100
1949	956	723	47	1,955	57	242	187	—	4,167
1950	915	993	54	2,129	62	280	201	—	4,634
1951	1,279	1,431	56	2,677	77	285	248	—	6,053
1952	1,588	1,403	55	2,901	82	368	265	—	6,662
1953	1,748	1,244	54	3,107	84	378	280	—	6,895
1954	1,776	1,115	58	3,131	73	373	293	—	6,819
1955	1,855	1,310	67	3,407	79	420	320	—	7,458
1956	2,127	1,443	69	3,858	97	537	365	—	8,496
1957	2,350	1,378	83	4,095	106	490	385	—	8,887
1958	2,214	1,350	48	4,186	124	542	404	—	8,868
1959	2,444	1,615	74	4,651	224	604	434	—	10,046
1960	2,794	1,588	79	4,901	234	649	465	—	10,710
1961	2,944	1,649	116	5,159	256	710	531	—	11,365
1962	3,180	1,753	125	5,807	268	784	574	—	12,491
1963	3,387	1,891	127	6,115	274	885	629	—	13,308
1964	3,917	2,100	140	6,877	316	978	676	—	15,004
1965	4,431	2,197	167	7,741	377	1,080	768	—	16,761
1966	5,792	2,355	204	8,669	401	1,241	864	724	19,526
1967	7,009	2,396	218	9,489	447	1,495	922	904	21,976
1968	8,244	2,852	209	10,303	613	1,765	988	1,040	24,974
1969	10,055	3,221	234	11,423	838	2,257	1,113	1,190	29,141
1970	11,547	3,070	269	12,055	1,077	2,705	1,231	1,327	31,954
1971	13,042	3,346	278	13,048	1,107	3,180	1,334	1,478	35,335
1972	14,631	3,920	287	14,760	1,036	3,690	1,495	1,657	39,819
1973	17,041	5,080	322	16,686	1,072	4,386	1,710	1,875	46,297
1974	21,197	7,051	430	20,876	1,125	5,916	2,161	2,313	58,756
1975	24,070	7,486	465	21,442	1,139	7,112	2,525	2,780	64,239
1976	28,353	7,113	504	24,864	1,480	8,357	2,825	3,282	73,496
1977	31,538	7,256	534	27,227	1,671	9,927	3,157	3,666	81,310
1978	33,418	8,241	582	29,314	2,026	12,476	3,510	4,231	89,567
1979	36,883	10,027	754	32,537	2,203	14,407	3,984	4,867	100,795
1980	42,366	11,606	995	36,134	2,334	16,685	4,624	5,669	114,746
1981	51,326	12,037	1,110	46,084	2,555	18,712	5,400	6,499	137,224

(1) Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) employer-employee contributions and investment income included in total government direct taxes persons and investment income, respectively.
(2) Includes CPP and QPP. Excludes intergovernmental transfers.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 50
Total Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Goods and services	National defence[1]	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance[2]	Transfers to non-residents	Total CPP and QPP[3]	Gross capital formation	Total expenditures[4]	Deficit (-) or surplus
D	30560	31284	30565	30579	30572	30575	30578	—	30597	—	30609
					(Millions of dollars)						
1947	1,343	227	834	559	177	6	46	—	233	3,198	763
1948	1,454	236	857	558	75	10	32	—	392	3,378	722
1949	1,722	361	942	572	77	13	15	—	483	3,824	343
1950	1,928	493	1,023	544	64	10	14	—	497	4,080	554
1951	2,811	1,157	1,024	609	129	13	21	—	620	5,227	826
1952	3,620	1,800	1,343	651	102	14	28	—	847	6,605	57
1953	3,824	1,907	1,449	620	113	14	37	—	755	6,812	83
1954	3,825	1,727	1,626	650	89	13	23	—	865	7,091	−272
1955	4,036	1,760	1,719	664	86	8	36	—	949	7,498	−40
1956	4,426	1,802	1,746	718	127	27	42	—	1,138	8,224	272
1957	4,573	1,765	2,052	774	120	29	52	—	1,306	8,906	−19
1958	4,854	1,661	2,605	826	150	18	67	—	1,426	9,946	−1,078
1959	4,976	1,559	2,721	1,023	250	22	85	—	1,570	10,647	−601
1960	5,281	1,546	3,090	1,093	314	17	74	—	1,511	11,380	−670
1961	6,206	1,613	2,709	1,184	321	21	77	—	1,682	12,200	−835
1962	6,608	1,680	2,912	1,316	361	41	59	—	1,900	13,197	−706
1963	6,982	1,572	2,979	1,431	401	77	89	—	1,973	13,932	−624
1964	7,593	1,584	3,175	1,546	436	92	95	—	1,968	14,905	99
1965	8,358	1,559	3,423	1,675	457	92	119	—	2,430	16,554	207
1966	9,748	1,709	3,750	1,862	639	65	195	15	2,842	19,101	425
1967	11,153	1,805	4,667	2,081	637	91	217	17	2,982	21,828	148
1968	12,684	1,812	5,473	2,391	641	100	170	37	3,013	24,472	502
1969	14,241	1,799	6,161	2,767	701	110	185	77	3,061	27,226	1,915
1970	16,630	1,868	6,985	3,250	756	123	244	134	3,160	31,148	806
1971	18,368	1,926	8,255	3,622	772	225	249	200	3,714	35,205	130
1972	20,291	1,963	9,918	4,137	884	245	279	284	3,984	39,738	81
1973	23,037	2,174	11,198	4,788	1,088	326	318	406	4,290	45,045	1,252
1974	27,816	2,548	13,880	5,425	2,619	326	407	542	5,488	55,961	2,795
1975	33,380	2,780	17,080	6,538	3,858	486	592	777	6,354	68,288	−4,049
1976	38,325	3,220	19,483	8,101	3,344	564	542	1,099	6,359	76,718	−3,222
1977	43,374	3,693	22,220	9,268	3,320	662	638	1,428	6,833	86,315	−5,005
1978	47,676	4,080	25,058	11,406	3,460	710	1,013	1,782	7,198	96,521	−6,954
1979	51,979	4,245	26,337	13,575	4,612	759	767	2,174	7,457	105,486	−4,691
1980	57,913	4,936	30,308	15,719	6,943	945	817	2,667	8,084	120,729	−5,983
1981	66,192	5,743	34,090	20,510	7,843	1,018	873	3,286	8,931	139,457	−2,233

(1) Included in goods and services.
(2) From 1961 on, this item is treated as government current expenditures; prior to 1961, it was treated as a capital transfer.
(3) CPP and QPP goods and services expenditures and benefit payments included in total government goods and services and transfers to persons and non-residents, respectively.
(4) Includes CPP and QPP. Excludes intergovernmental transfers.

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 51
Federal Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Direct taxes persons	Direct taxes corporations	Withholding taxes	Indirect taxes	Transfers from persons	Investment income	Capital consumption allowances	Total revenues
D	30517	30523	30525	30527	30531	30536	30549	
				(Millions of dollars)				
1947	825	631	35	1,136	4	102	43	2,776
1948	875	568	41	1,086	6	91	50	2,717
1949	841	593	47	1,048	7	109	54	2,699
1950	806	847	54	1,115	7	133	58	3,020
1951	1,158	1,242	56	1,494	6	143	66	4,165
1952	1,461	1,294	55	1,594	7	205	71	4,687
1953	1,613	1,168	54	1,697	2	200	75	4,809
1954	1,622	1,051	58	1,612	1	187	77	4,608
1955	1,647	1,248	67	1,743	1	220	82	5,008
1956	1,910	1,364	69	1,970	1	296	88	5,698
1957	2,105	1,170	83	1,989	2	230	93	5,672
1958	1,965	1,105	48	1,906	2	285	98	5,409
1959	2,183	1,340	74	2,120	2	316	104	6,139
1960	2,503	1,308	79	2,177	3	336	111	6,517
1961	2,629	1,345	116	2,188	2	382	117	6,779
1962	2,605	1,314	125	2,400	1	410	124	6,979
1963	2,730	1,412	127	2,449	2	471	132	7,323
1964	3,129	1,575	140	2,845	2	525	139	8,355
1965	3,332	1,652	167	3,245	3	545	151	9,095
1966	3,634	1,774	204	3,570	3	632	167	9,984
1967	4,305	1,758	218	3,705	3	738	179	10,906
1968	5,125	2,107	209	3,761	4	821	191	12,218
1969	6,503	2,402	234	4,028	2	1,108	213	14,490
1970	7,436	2,276	269	4,034	2	1,279	232	15,528
1971	8,299	2,477	278	4,480	4	1,458	245	17,241
1972	9,285	2,901	287	5,121	5	1,684	277	19,560
1973	10,861	3,644	322	5,837	6	1,827	312	22,809
1974	13,538	5,012	430	8,495	8	2,116	379	29,978
1975	15,231	5,372	465	7,882	8	2,304	441	31,703
1976	18,042	5,046	504	8,601	11	2,608	501	35,313
1977	18,042	5,157	534	9,085	13	3,124	554	36,509
1978	17,707	5,786	582	9,750	15	3,879	606	38,325
1979	20,257	6,887	754	10,661	17	4,199	686	43,461
1980	23,434	8,002	995	12,131	20	4,718	776	50,076
1981	29,065	8,624	1,110	18,838	23	5,401	923	63,984

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 52
Federal Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Goods and services	National defence[1]	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance[2]	Transfer payments to non-residents	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
D	30561	31284	30566	30580	30573	30576	41974	459141	30598	—	30160
					(Millions of dollars)						
1947	651	227	611	453	171	1	46	192	−36	2,089	687
1948	628	236	570	453	71	1	32	150	47	1,952	765
1949	757	361	583	461	73	1	15	187	138	2,215	484
1950	923	493	615	427	60	1	14	251	79	2,370	650
1951	1,634	1,157	580	486	124	0	21	259	90	3,194	971
1952	2,315	1,800	975	515	96	2	28	368	193	4,492	195
1953	2,462	1,907	1,043	471	106	1	37	412	126	4,658	151
1954	2,316	1,727	1,165	482	84	1	23	430	153	4,654	−46
1955	2,364	1,760	1,229	487	75	3	36	450	162	4,806	202
1956	2,517	1,802	1,221	516	118	16	42	485	185	5,100	598
1957	2,513	1,765	1,460	531	108	20	52	521	217	5,422	250
1958	2,524	1,661	1,893	568	131	13	67	663	317	6,176	−767
1959	2,387	1,559	1,782	733	229	19	85	880	363	6,478	−339
1960	2,426	1,546	1,973	753	283	15	74	994	228	6,746	−229
1961	2,584	1,613	2,005	786	285	18	77	1,128	306	7,189	−410
1962	2,688	1,680	2,110	865	322	38	59	1,134	270	7,486	−507
1963	2,617	1,572	2,134	935	355	74	89	1,169	236	7,609	−286
1964	2,750	1,584	2,241	995	379	89	95	1,252	209	8,010	345
1965	2,829	1,559	2,311	1,052	372	86	119	1,431	351	8,551	544
1966	3,267	1,709	2,484	1,151	500	62	195	1,664	430	9,753	231
1967	3,562	1,805	2,918	1,245	519	73	217	1,992	464	10,990	−84
1968	3,883	1,812	3,295	1,409	522	78	170	2,372	500	12,229	−11
1969	4,242	1,799	3,598	1,589	555	88	185	2,726	486	13,469	1,021
1970	4,551	1,868	4,057	1,862	589	97	244	3,397	465	15,262	266
1971	4,958	1,926	4,684	1,974	513	171	249	4,323	514	17,386	−145
1972	5,452	1,963	6,186	2,253	596	181	277	4,558	623	20,126	−566
1973	6,087	2,174	7,008	2,518	738	227	315	4,807	722	22,422	387
1974	7,408	2,548	8,705	2,961	2,060	193	403	6,165	974	28,869	1,109
1975	8,329	2,780	10,620	3,705	3,183	288	588	7,670	1,125	35,508	−3,805
1976	9,670	3,220	11,533	4,519	2,398	367	537	8,522	1,158	38,704	−3,391
1977	11,143	3,693	13,089	5,101	2,222	497	630	9,967	1,163	43,812	−7,303
1978	11,981	4,080	14,647	6,410	2,301	556	1,003	10,875	1,206	48,979	−10,654
1979	12,750	4,245	14,657	8,080	3,220	546	756	11,754	911	52,674	−9,213
1980	13,707	4,936	16,574	9,653	5,486	707	804	12,828	1,014	60,773	−10,697
1981	16,300	5,743	18,843	13,350	6,273	761	857	14,060	1,044	71,488	−7,504

[1] Included in goods and services.
[2] See note 2 on reference table 50.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 53
Federal Government Expenditure by Envelope
Expenditure Management System Basis

	1976/77	1977/78	1978/79	1979/80	1980/81
	(Millions of dollars)				
Energy	1,631	1,554	1,398	2,362	3,624
Economic development	4,739	4,996	5,024	5,371	5,183
Social affairs	18,605	20,408	22,114	22,690	24,633
Justice and legal	773	915	1,014	1,037	1,213
Fiscal transfers	3,184	3,196	2,999	3,635	3,908
External affairs	1,123	1,257	1,353	1,404	1,421
Defence	3,382	3,785	4,108	4,389	5,058
Parliament	73	89	92	99	130
Services to government	2,765	3,175	3,384	3,451	3,841
Sub-total	36,275	39,375	41,486	44,438	49,011
Public debt	4,721	5,550	7,058	8,524	10,687
Total outlays	40,996	44,925	48,544	52,962	59,698

Note: Figures for all years are on a consistant basis; the Post Office is treated as a department.
Source: Department of Finance.

Reference Table 54
Federal Government Debt
Public Accounts Basis[1]

Year	Gross debt	Net debt	Unmatured debt	Public debt charges	
				Gross	Net
			(Millions of dollars)		
1952	16,729	11,185	13,949	531	413
1957	17,586	11,009	13,573	534	327
1962	21,742	13,227	16,883	839	532
1963	23,100	13,962	17,950	918	606
1964	24,849	15,170	18,739	994	627
1965	25,943	15,530	18,934	1,051	629
1966	26,612	15,326	18,966	1,111	673
1967	28,132	15,535	19,681	1,191	671
1968	29,734	16,224	20,284	1,301	689
1969	32,020	16,715	21,725	1,480	785
1970	33,327	16,222	22,184	1,717	857
1971	36,781	16,594	24,886	1,920	920
1972[2]	40,209	18,811	27,259	2,137	1,004
1973	43,252	19,810	29,039	2,301	1,036
1974	45,677	21,194	29,171	2,566	1,077
1975	50,997	22,927	33,086	3,239	1,408
1976	58,025	28,390	37,697	3,972	1,875
1977	65,761	34,600	42,519	4,721	2,309
1978	78,528	44,889	51,567	5,550	2,958
1979	95,702	57,115	66,591	7,058	3,902
1980	103,626	68,595	72,121	8,524	5,180
1981	118,461	81,263	83,149	10,687	6,557
			(Per cent of GNP)[3]		
1952	77.3	51.7	64.5	2.5	1.9
1957	54.9	34.3	42.3	1.7	1.0
1962	54.8	33.4	42.6	2.1	1.3
1963	53.8	32.5	41.8	2.1	1.4
1964	54.0	33.0	40.8	2.2	1.4
1965	51.6	30.9	37.7	2.1	1.3
1966	48.1	27.7	34.3	2.0	1.2
1967	45.5	25.1	31.8	1.9	1.1
1968	44.8	24.4	30.5	2.0	1.0
1969	44.1	23.0	29.9	2.0	1.1
1970	41.8	20.3	27.8	2.2	1.1
1971	42.9	19.4	29.0	2.2	1.1
1972	42.6	19.9	28.9	2.3	1.1
1973	41.1	18.8	27.6	2.2	1.0
1974	37.0	17.2	23.6	2.1	0.9
1975	34.6	15.5	22.4	2.2	1.0
1976	35.1	17.2	22.8	2.4	1.1
1977	34.4	18.1	22.3	2.5	1.2
1978	37.6	21.5	24.7	2.7	1.4
1979	41.5	24.8	28.9	3.1	1.7
1980	39.6	26.2	27.5	3.3	2.0
1981	40.9	28.0	28.7	3.7	2.3

[1] As at March 31 of each year.
[2] Data for gross debt and net debt for years prior to 1972 are not entirely consistent with those for later years due to changes in accounting practices. Revised data are available only from March 1972.
[3] Calculated using GNP of calendar year preceding the fiscal year end.

Source: *Public Accounts of Canada.*

Reference Table 55
Actual and Cyclically Adjusted Budget Balances
Federal and Consolidated Government Sectors
National Income and Expenditure Accounts Basis
1954 – 1981

Years	Actual balances (surplus or deficit (–))		Cyclically adjusted balances (surplus or deficit (–))		Actual balances (surplus or deficit (–))		Cyclically adjusted balances (surplus or deficit (–))	
	Federal government	All governments	Federal government	All governments	Federal government	All governments	Federal government	All governments
	(Millions of dollars)				(Per cent of GNP)[1]			
1954	–46	–272	40	–176	–0.2	–1.1	0.2	–0.7
1955	202	–40	35	–224	0.7	–0.1	0.1	–0.8
1956	598	272	101	–275	1.9	0.9	0.3	–0.9
1957	250	–19	54	–250	0.8	–0.1	0.2	–0.8
1958	–767	–1,078	–543	–843	–2.2	–3.1	–1.6	–2.4
1959	–339	–601	–114	–349	–0.9	–1.6	–0.3	–0.9
1960	–229	–670	217	–167	–0.6	–1.8	0.6	–0.4
1961	–410	–835	240	–85	–1.0	–2.1	0.6	–0.2
1962	–507	–706	–162	–281	–1.2	–1.6	–0.4	–0.6
1963	–286	–624	–27	–297	–0.6	–1.4	–0.1	–0.6
1964	345	99	347	106	0.7	0.2	0.7	0.2
1965	544	207	367	–9	1.0	0.4	0.7	–0.0
1966	231	425	–219	–152	0.4	0.7	–0.4	–0.3
1967	–84	148	–257	–55	–0.1	0.2	–0.4	–0.1
1968	–11	502	–158	312	–0.0	0.7	–0.2	0.4
1969	1,021	1,915	741	1,554	1.3	2.4	0.9	2.0
1970	266	806	541	1,199	0.3	0.9	0.6	1.4
Average 1961 to 1970	111	194	105	229	0.1	0.0	0.2	0.2
1971	–145	130	3	322	–0.2	0.1	0.0	0.3
1972	–566	81	–655	–78	–0.5	0.1	–0.6	–0.1
1973	387	1,252	–598	–82	0.3	1.0	–0.5	–0.1
1974	1,109	2,795	–3	1,320	0.8	1.9	0.0	0.9
1975	–3,805	–4,049	–3,213	–3,263	–2.3	–2.5	–1.9	–2.0
1976	–3,391	–3,222	–3,334	–3,235	–1.8	–1.7	–1.8	–1.7
1977	–7,303	–5,005	–6,084	–3,455	–3.5	–2.4	–2.9	–1.6
1978	–10,654	–6,954	–9,060	–4,955	–4.6	–3.0	–3.9	–2.1
1979	–9,213	–4,691	–7,942	–2,887	–3.5	–1.8	–3.0	–1.1
1980	–10,697	–5,983	–7,101	–575	–3.7	–2.1	–2.3	–0.2
Average 1971 to 1981	–4,707	–2,534	–3,743	–1,157	–1.9	–1.0	–1.6	–0.6
1981	–7,504	–2,233	–3,191	4,162	–2.3	–0.7	–0.9	1.2

[1] Actual balances are taken as a percentage of actual GNP while cyclically adjusted balances are taken as a percentage of cyclically adjusted GNP.

Source: Statistics Canada, *National Income and Expenditure Accounts*, and Department of Finance.

Reference Table 56
Provincial Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Direct taxes persons	Direct taxes corporations	Indirect taxes	Transfers from persons	Investment income	Transfers from other levels of government	Capital consumption allowances	Total revenues
D	40060 40298	40067 40305	40072 40310	40076 40314	40081 40319		40101 40339	
				(Millions of dollars)				
1947	97	71	359	28	101	199	44	899
1948	105	119	418	37	111	159	53	1,002
1949	109	130	462	46	79	197	59	1,082
1950	102	146	515	51	89	261	62	1,226
1951	121	189	575	60	117	270	80	1,412
1952	127	109	607	61	140	378	81	1,503
1953	135	76	652	64	154	424	83	1,588
1954	154	64	690	56	165	443	88	1,660
1955	208	62	762	59	186	465	100	1,842
1956	217	79	864	72	221	494	125	2,072
1957	245	208	958	78	240	533	129	2,391
1958	249	245	1,016	94	234	657	132	2,627
1959	261	275	1,087	191	264	880	143	3,101
1960	291	280	1,131	197	287	979	154	3,319
1961	315	304	1,270	211	298	1,110	156	3,664
1962	575	439	1,572	217	341	1,105	172	4,421
1963	657	479	1,713	225	372	1,134	193	4,773
1964	788	525	2,006	261	398	1,217	211	5,406
1965	1,099	545	2,265	313	474	1,379	253	6,328
1966	1,444	581	2,622	331	516	1,593	288	7,375
1967	1,855	638	3,019	367	603	1,951	300	8,733
1968	2,194	745	3,447	541	720	2,320	319	10,286
1969	2,545	819	3,933	776	863	2,678	357	11,971
1970	3,057	794	4,263	1,007	1,032	3,347	395	13,895
1971	3,640	869	4,566	1,031	1,202	4,274	436	16,018
1972	4,156	1,019	5,261	956	1,380	4,449	481	17,702
1973	4,875	1,436	6,198	984	1,812	4,734	575	20,614
1974	6,051	2,039	7,236	1,038	2,897	6,054	778	26,093
1975	6,933	2,114	7,547	1,046	3,701	7,577	912	29,830
1976	8,106	2,067	9,077	1,348	4,375	8,369	1,001	34,343
1977	11,083	2,099	10,039	1,521	5,200	9,665	1,113	40,720
1978	12,985	2,455	10,536	1,858	6,700	10,574	1,248	46,356
1979	13,539	3,140	12,009	2,011	7,992	11,467	1,405	51,563
1980	15,391	3,606	13,109	2,129	9,369	12,592	1,656	57,852
1981	18,290	3,413	15,154	2,330	10,272	13,886	1,929	65,274

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 57
Provincial Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Goods and services	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit (-) or surplus
D	40114 40352	40119 40357	40133 40371	40126 40364	40129 40367		40158 40396		40170 40408
				(Millions of dollars)					
1947	268	204	68	6	5	101	152	804	95
1948	318	266	68	4	9	129	193	987	15
1949	387	336	72	4	12	157	172	1,140	– 58
1950	391	384	75	4	9	171	196	1,230	– 4
1951	470	416	78	5	13	197	229	1,408	4
1952	502	334	83	6	12	215	290	1,442	61
1953	498	368	88	7	13	242	265	1,481	107
1954	519	417	94	5	12	259	301	1,607	53
1955	578	449	93	11	5	327	351	1,814	28
1956	688	485	101	9	11	362	460	2,116	– 44
1957	703	547	116	12	9	452	536	2,375	16
1958	816	658	115	19	5	545	519	2,677	– 50
1959	907	874	121	21	3	622	566	3,114	– 13
1960	986	1,044	143	31	2	714	612	3,532	– 213
1961	1,040	625	160	36	3	1,535	546	3,945	– 281
1962	1,063	718	184	39	3	1,845	625	4,477	– 56
1963	1,209	759	212	46	3	1,984	659	4,872	– 99
1964	1,322	849	238	57	3	2,242	776	5,487	– 81
1965	1,507	1,024	271	85	6	2,560	875	6,328	0
1966	1,890	1,173	317	139	3	3,041	986	7,549	– 174
1967	2,307	1,647	385	118	18	3,546	1,046	9,067	– 334
1968	2,716	2,030	485	119	22	4,012	958	10,342	– 56
1969	2,957	2,369	638	146	22	4,495	1,025	11,652	319
1970	4,109	2,611	759	167	26	5,406	1,046	14,124	– 229
1971	4,708	3,139	920	259	54	5,999	1,409	16,488	– 470
1972	5,297	3,238	1,127	288	64	6,823	1,556	18,393	– 691
1973	6,112	3,574	1,404	350	99	7,540	1,637	20,716	– 102
1974	7,539	4,464	1,545	559	133	9,132	2,069	25,441	652
1975	9,634	5,482	1,839	675	198	11,340	2,418	31,586	– 1,756
1976	10,796	6,642	2,327	946	197	12,796	2,182	35,886	– 1,543
1977	12,410	7,507	2,690	1,098	165	15,200	2,384	41,454	– 734
1978	13,867	8,419	3,343	1,159	154	15,712	2,653	45,307	1,049
1979	15,162	9,251	3,712	1,392	213	18,121	2,940	50,791	772
1980	16,935	10,783	4,107	1,457	238	19,604	3,163	56,287	1,565
1981	18,763	11,669	4,987	1,570	257	21,749	3,586	62,581	2,693

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 58
Local Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Direct taxes	Indirect taxes	Investment income	Transfers from persons	Transfers from other levels of government	Capital consumption allowances	Total revenues
D		40073 40311	40082 40320	40077 40315		40102 40340	
			(Millions of dollars)				
1947	5	360	58	3	[illegible]	59	586
1948	6	403	59	4	[illegible]	68	669
1949	6	445	54	4	[illegible]	74	740
1950	7	499	58	4	[illegible]	81	821
1951	—	608	25	11	[illegible]	102	945
1952	—	700	23	14	[illegible]	113	1,068
1953	—	758	24	18	[illegible]	122	1,167
1954	—	829	21	16	[illegible]	128	1,255
1955	—	902	14	19	[illegible]	138	1,407
1956	—	1,024	20	24	[illegible]	152	1,591
1957	—	1,148	20	26	468	163	1,825
1958	—	1,264	23	28	568	174	2,057
1959	—	1,444	24	31	646	187	2,332
1960	—	1,593	26	34	746	200	2,599
1961	—	1,701	28	41	874	212	2,856
1962	—	1,835	31	47	1,107	229	3,249
1963	—	1,953	39	44	1,200	250	3,486
1964	—	2,026	52	50	1,342	268	3,738
1965	—	2,231	58	58	1,514	299	4,160
1966	—	2,477	79	64	1,868	336	4,824
1967	—	2,765	95	74	2,122	364	5,420
1968	—	3,095	105	65	2,354	393	6,012
1969	—	3,462	99	56	2,595	450	6,662
1970	—	3,758	116	64	3,192	500	7,630
1971	—	4,002	140	68	3,583	538	8,331
1972	—	4,378	153	71	4,069	612	9,283
1973	—	4,651	170	78	4,501	683	10,083
1974	—	5,145	187	75	5,308	840	11,555
1975	—	6,013	223	81	6,703	986	14,006
1976	—	7,186	271	99	7,367	1,118	16,041
1977	—	8,103	317	112	9,197	1,263	18,992
1978	—	9,028	354	126	9,407	1,407	20,322
1979	—	9,867	395	146	11,293	1,610	23,311
1980	—	10,894	425	151	11,733	1,868	25,071
1981	—	12,092	462	164	13,071	2,152	27,941

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 59
Local Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1981

Years	Goods and services	Transfers to persons	Interest on the public debt	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
D	40115 40353	40120 40359	40134 40372		40159 40397		40171 40409
				(Millions of dollars)			
1947	424	19	38	7	117	605	– 19
1948	508	21	37	9	152	727	– 58
1949	578	23	39	10	173	823	– 83
1950	614	24	42	11	222	913	– 92
1951	707	28	45	13	301	1,094	– 149
1952	803	34	53	13	364	1,267	– 199
1953	864	38	61	15	364	1,342	– 175
1954	990	44	74	15	411	1,534	– 279
1955	1,094	41	84	22	436	1,677	– 270
1956	1,221	40	101	18	493	1,873	– 282
1957	1,357	45	127	28	553	2,110	– 285
1958	1,514	54	143	17	590	2,318	– 261
1959	1,682	65	169	24	641	2,581	– 249
1960	1,869	73	197	17	671	2,827	– 228
1961	1,968	79	223	34	680	2,984	– 128
1962	2,174	84	251	28	847	3,384	– 135
1963	2,373	86	266	33	926	3,684	– 198
1964	2,635	85	294	31	834	3,879	– 141
1965	3,015	88	333	37	1,054	4,527	– 367
1966	3,399	93	373	51	1,235	5,151	– 327
1967	3,881	102	430	70	1,274	5,757	– 337
1968	4,438	133	475	64	1,338	6,448	– 436
1969	5,142	143	516	66	1,337	7,204	– 542
1970	5,803	213	595	64	1,425	8,100	– 470
1971	6,277	260	695	64	1,550	8,846	– 515
1972	6,836	246	721	69	1,582	9,454	– 171
1973	7,757	250	825	60	1,676	10,568	– 485
1974	9,072	216	873	61	2,152	12,374	– 819
1975	10,801	257	943	70	2,503	14,574	– 568
1976	12,600	272	1,194	71	2,673	16,810	– 769
1977	14,144	268	1,411	70	2,940	18,833	159
1978	15,580	291	1,587	67	2,934	20,459	– 137
1979	17,182	340	1,714	68	3,218	22,522	789
1980	19,166	384	1,886	79	3,458	24,973	98
1981	21,701	428	2,094	141	3,829	28,193	– 252

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 60
Hospital Revenues and Expenditures
National Income and Expenditure Accounts Basis
1961 – 1981

Years	Revenues					Expenditures				Deficit(-) or surplus
	Investment income	Transfers from other levels of government	Transfers from persons	Capital consumption allowances	Total revenues	Goods and services	Interest on the public debt	Gross capital formation	Total expenditures	
D	40083 40321		40078 40316	40103 40341		40116 40354	40555 40558	40160 40398		40172 40410
	(Millions of dollars)									
1961	2	713	2	46	763	614	15	150	779	– 16
1962	2	795	3	49	849	683	16	158	857	– 8
1963	3	852	3	54	912	783	18	152	953	– 41
1964	3	966	3	58	1,030	886	19	149	1,054	– 24
1965	3	1,135	3	65	1,206	1,007	19	150	1,176	30
1966	4	1,295	3	73	1,375	1,177	21	191	1,389	– 14
1967	4	1,535	3	79	1,621	1,386	21	198	1,605	16
1968	4	1,774	3	85	1,866	1,625	22	217	1,864	2
1969	4	2,014	4	93	2,115	1,874	24	213	2,111	4
1970	5	2,328	4	104	2,441	2,137	34	224	2,395	46
1971	5	2,529	4	115	2,653	2,397	33	241	2,671	– 18
1972	6	2,932	4	125	3,067	2,672	36	223	2,931	136
1973	7	3,172	4	140	3,323	3,044	41	255	3,340	– 17
1974	11	3,996	4	164	4,175	3,754	46	293	4,093	82
1975	10	4,800	4	186	5,000	4,564	51	308	4,923	77
1976	26	5,653	22	205	5,906	5,201	61	346	5,608	298
1977	33	6,375	25	227	6,660	5,613	66	346	6,025	635
1978	38	6,673	27	249	6,987	6,177	66	405	6,648	339
1979	41	7,183	29	283	7,536	6,811	69	388	7,268	268
1980	45	8,186	34	324	8,589	8,018	73	449	8,540	49
1981	49	8,993	38	396	9,476	9,308	79	472	9,859	– 383

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 61
Federal Government
Liabilities and Assets
Financial Flow Accounts Basis
1965 – 1980

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
	(Millions of dollars)															
Liabilities																
Currency and deposits	319	344	380	446	480	504	529	554	618	704	773	821	882	962	1,050	1,111
Payables	30	41	32	34	50	62	65	57	50	81	92	68	119	173	167	175
Loans	27	164	271	309	65	11	59	85	147	207	262	250	253	3,832	2,104	2,796
Pensions[1]	1,272	1,280	1,284	1,285	1,283	1,277	1,266	1,265	1,238	1,218	1,197	1,173	1,187	1,162	1,149	1,136
Claims by associated enterprises	33	96	73	100	118	132	147	167	184	243	313	331	353	440	477	658
Other liabilities	796	865	1,006	1,281	1,173	1,581	1,856	2,558	2,703	3,442	3,860	3,965	3,567	4,342	4,892	6,411
Unmatured debt	19,286	19,728	20,779	22,231	22,797	24,655	27,431	29,021	28,915	33,294	37,280	41,468	49,601	60,208	68,334	80,295
Total liabilities	21,763	22,518	23,825	25,586	25,966	28,222	31,353	33,707	33,855	39,189	43,777	48,076	55,962	71,119	78,173	92,582
Financial assets																
Currency and deposits	654	671	335	336	1,057	1,143	1,905	2,163	1,687	4,246	3,494	2,671	4,020	5,985	1,709	3,453
Receivables	7	6	6	6	8	9	10	19	20	30	52	55	77	105	153	192
Loans	1,658	1,880	2,053	2,270	2,445	2,648	3,085	3,412	4,076	4,565	5,083	5,493	6,095	6,570	7,243	7,701
Finance and other short-term paper	5	7	12	10	11	6	8	13	12	12	18	18	26	18	6	11
Mortgages	293	343	404	457	525	548	556	553	552	569	554	519	479	427	377	337
Bonds and treasury bills																
Federal government	198	482	419	544	559	511	33	39	20	20	20	31	25	19	162	85
Provincial governments	15	15	12	21	20	12	18	15	17	15	14	12	14	16	17	14
Municipal bonds	9	9	7	—	—	11	—	—	—	—	—	—	—	—	—	—
Other	10	10	8	14	19	23	25	27	29	35	39	37	36	29	30	34
Claims on associated enterprises	9,731	10,111	11,500	12,625	13,459	15,688	17,744	18,900	19,189	21,113	22,280	23,974	24,893	26,821	27,863	30,169
Stocks	7	10	15	19	26	53	76	100	127	154	187	64	58	58	54	55
Foreign investments	198	180	168	92	60	28	3	5	5	13	6	5	4	3	5	9
Other financial assets	1,508	1,573	1,533	1,763	1,433	1,208	1,394	1,602	1,921	2,838	2,930	2,456	1,911	2,300	2,883	2,303
Total financial assets	14,293	15,297	16,472	18,157	19,622	21,888	24,857	26,848	27,655	33,610	34,677	35,335	37,638	42,351	40,502	44,363
Excess of liabilities over financial assets	7,470	7,221	7,353	7,429	6,344	6,334	6,496	6,859	6,200	5,579	9,100	12,741	18,324	28,768	37,671	48,219

[1] This mainly represents the balance in government annuities.

Source: Statistics Canada, *Financial Flow Accounts*.

Reference Table 62
Provincial and Local Governments and Hospitals
Liabilities and Assets
Financial Flow Accounts Basis
1965 – 1980

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980
								(Millions of dollars)								
Liabilities																
Payables	253	343	423	475	502	653	656	755	791	1,012	1,158	1,319	2,003	2,305	3,263	3,314
Loans	960	1,383	1,592	1,761	1,987	2,198	2,158	2,520	3,245	4,139	4,626	4,730	4,923	5,503	5,825	6,595
Finance and other short-term paper	—	—	—	—	118	174	313	435	343	230	634	318	297	537	312	639
Mortgages	86	99	121	190	143	159	157	177	158	168	187	136	128	109	86	71
Claims by associated enterprises	67	68	73	80	77	191	232	385	353	437	549	714	742	806	906	1,237
Other liabilities	1,539	1,603	1,643	1,655	1,685	1,892	1,999	1,717	2,386	2,621	2,658	3,348	3,056	3,297	3,118	2,666
Unmatured debt																
Provincial governments	5,038	5,885	8,098	9,431	10,757	12,208	13,774	15,860	17,443	19,729	23,451	27,219	31,738	36,496	40,246	45,466
Municipal governments	5,867	6,615	7,527	8,147	8,674	9,221	10,025	10,679	11,372	12,278	13,878	15,219	17,243	18,428	19,354	20,634
Other	281	311	342	351	391	388	400	408	412	448	474	509	536	586	645	433
Total liabilities	15,111	17,307	19,819	22,090	24,334	27,084	29,714	32,936	36,503	41,062	47,615	53,512	60,666	68,067	73,755	81,055
Financial assets																
Currency and deposits	677	690	647	791	1,256	1,529	1,422	2,123	2,361	2,597	1,953	2,797	3,945	5,895	8,535	8,690
Receivables	82	121	145	160	188	224	240	295	301	358	525	659	618	604	590	576
Loans	143	344	472	555	631	1,458	1,746	1,950	2,183	2,316	2,567	2,810	2,909	2,945	3,068	3,177
Finance and other short-term paper	13	16	14	17	21	34	45	66	79	83	85	163	185	190	187	184
Mortgages	260	277	284	356	462	660	924	1,103	1,291	1,580	1,922	2,281	2,545	2,584	2,587	2,772
Bonds and treasury bills																
Federal government	335	318	293	326	305	268	238	217	207	186	214	352	607	959	1,344	2,290
Provincial governments	1,406	1,555	1,647	1,712	1,919	1,889	1,892	1,994	2,136	2,452	3,248	3,921	4,989	6,064	6,492	8,694
Municipal governments	1,102	1,397	1,758	2,138	2,472	2,870	3,237	3,547	3,774	4,328	4,847	5,422	5,974	6,609	6,649	7,631
Other	308	434	525	692	948	238	314	303	260	286	476	744	1,057	1,210	1,289	1,388
Claims on associated enterprises	3,345	3,667	4,119	4,585	5,242	6,357	6,913	7,547	8,386	9,924	11,377	12,485	15,232	17,002	18,139	20,532
Stocks	15	13	16	31	45	168	173	159	124	213	229	252	264	250	271	284
Other financial assets	2,103	2,229	2,270	2,428	2,534	2,564	2,772	2,287	3,425	4,145	3,851	3,449	3,284	5,600	7,140	9,204
Total financial assets	9,789	11,061	12,190	13,791	16,023	18,259	19,916	21,591	24,527	28,468	31,294	35,335	41,609	49,932	56,291	65,422
Excess of liabilities over financial assets	5,322	6,246	7,629	8,299	8,311	8,825	9,798	11,345	11,976	12,594	16,321	18,177	19,057	18,135	17,464	15,633

Source: Statistics Canada, *Financial Flow Accounts.*

Reference Table 63
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1972 – 1981
Summary

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
		(Millions of dollars)								
I Budgetary transactions										
A Revenues	16,344	18,821	21,826	28,067	29,956	32,635	32,866	35,216	40,054	46,507
B Expenditures	– 17,046	– 19,820	– 23,210	– 29,800	– 35,419	– 38,845	– 43,155	– 47,442	– 51,534	– 59,175
Surplus or deficit (–)	– 702	– 999	– 1,384	– 1,733	– 5,463	– 6,210	– 10,289	– 12,226	– 11,480	– 12,668
II Non-budgetary transactions										
A Loans, investments and advances	– 1,627	– 1,210	– 1,337	– 1,948	– 2,915	– 2,151	– 1,770	– 1,102	– 1,428	– 523
B Specified purpose accounts	455	542	697	1,316	1,919	2,014	2,771	2,780	2,047	2,781
C Other transactions	536	359	507	226	1,685	799	839	– 565	416	293
Net source or requirement (–)	– 636	– 309	– 133	– 406	689	662	1,840	1,113	1,035	2,551
Financial requirements (excluding foreign exchange)	– 1,338	– 1,308	– 1,517	– 2,139	– 4,774	– 5,548	– 8,449	– 11,113	– 10,445	– 10,117
III Foreign exchange transactions	– 700	– 75	131	593	– 5	1,281	1,186	4,262	– 128	1,157
Total financial requirements[1]	– 2,038	– 1,383	– 1,386	– 1,546	– 4,779	– 4,267	– 7,263	– 6,851	– 10,573	– 8,960
IV Unmatured debt transactions[2]	2,360	1,782	197	3,940	4,627	4,812	8,172	8,778	7,878	11,153
Change in cash balance[3]	322	399	– 1,189	2,394	– 152	545	909	1,927	– 2,695	2,193
V Level of cash balance at end of period	1,600	1,999	810	3,204	3,052	3,597	4,506	6,433	3,738	5,931
Canadian dollar balance	1,582	1,984	801	3,186	3,037	3,580	4,487	6,374	3,661	5,826

(1) Cash requirement (–).
(2) Excluding change in unmatured debt outstanding payable in foreign currency.
(3) Cash decrease (–).

Note: Figures for the years 1973 to 1981 reflect loan write-offs in the years in which the funds were expended rather than in the years in which the write-offs occurred. In addition, the government contribution to the Unemployment Insurance Account is treated for these years on a current basis. Undisbursed balances of appropriations to special accounts are eliminated and the unamortized portion of flotation costs of marketable bonds and Canada Savings Bonds is recorded as a charge to budgetary expenditure in the year in which the cost was incurred. Further, subscriptions and notes payable to international organizations other than the International Monetary Fund are treated as part of loans, investments and advances, and not as exchange transactions. Figures for 1972 are thus not on a strictly consistent basis with figures for 1973 to 1981. For all years the old age security transactions are treated as budgetary.

Reference Table 63 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
		(Millions of dollars)								
I Budgetary transactions										
A Revenues										
Personal income tax	7,227	8,378	9,226	11,710	12,709	14,634	13,988	14,656	16,808	19,837
Corporate income tax	2,396	2,920	3,710	4,836	5,748	5,363	5,280	5,654	6,951	8,106
Other direct taxes	420	353	338	434	493	451	503	568	787	894
Sales tax	2,653	3,052	3,590	3,866	3,515	3,929	4,427	4,729	4,698	5,429
Other indirect taxes	1,984	2,220	2,765	4,640	4,628	4,778	4,762	5,045	5,664	6,384
Non-tax revenues	1,664	1,898	2,197	2,581	2,863	3,480	3,906	4,564	5,146	5,857
Total revenues	16,344	18,821	21,826	28,067	29,956	32,635	32,866	35,216	40,054	46,507
B Expenditures										
Health and welfare	5,596	7,047	8,135	10,286	12,534	13,873	14,773	16,642	16,876	18,721
Economic development and support	2,167	2,451	2,903	4,290	5,474	5,120	5,624	5,174	6,462	8,118
Public debt	2,137	2,301	2,566	3,239	3,972	4,721	5,550	7,058	8,524	10,687
Defence	2,263	2,366	2,775	3,162	3,632	4,161	4,626	4,999	5,333	6,067
Fiscal transfer payments to provinces	1,245	1,304	1,678	2,399	2,378	2,966	3,101	2,921	3,424	3,643
Transportation and communications	1,023	1,217	1,691	2,213	2,357	2,658	2,910	3,130	3,214	3,633
General government services	694	813	965	1,237	1,509	1,688	1,969	2,143	2,289	2,452
Internal overhead	698	797	728	889	989	1,104	1,308	1,452	1,332	1,419
Education assistance	561	588	617	641	701	872	1,402	1,666	1,798	1,884
Culture and recreation	348	435	559	638	681	712	883	1,053	1,018	1,163
Foreign affairs	314	405	477	625	754	790	910	960	1,053	1,081
Total allocated expenditures	17,046	19,724	23,094	29,619	34,981	38,665	43,056	47,198	51,323	58,868
Provision for valuation of assets and liabilities	n.a.	96	116	181	438	180	99	244	211	307
Total expenditures	17,046	19,820	23,210	29,800	35,419	38,845	43,155	47,442	51,534	59,175
Budgetary surplus or deficit (-)	– 702	– 999	– 1,384	– 1,733	– 5,463	– 6,210	– 10,289	– 12,226	– 11,480	– 12,668

Reference Table 63 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
					(Millions of dollars)					
II Non-budgetary transactions										
A Loans, investments and advances										
Crown corporations and agencies										
Lending institutions	(–794)	(–633)	(–676)	(–1,060)	(–1,698)	(–1,612)	(–1,134)	(–626)	(–951)	(–204)
Canada Mortgage and Housing Corporation	–656	–475	–375	–735	–1,058	–837	–532	–52	–366	–66
Export Development Corporation	–118	–124	–141	–93	–357	–202	–84	–51	–44	19
Farm Credit Corporation	–30	–43	–170	–243	–297	–277	–297	–267	–307	–270
Federal Business Development Bank	—	—	—	—	–197	–307	–241	–267	–245	101
Municipal Development Loan Board	9	9	10	11	11	11	10	11	11	12
Canada Deposit Insurance Corporation	1	—	—	—	—	—	10	—	—	—
All other Crown corporations	(–431)	(–110)	(–339)	(–492)	(–925)	(–393)	(–323)	(–489)	(–373)	(537)
Air Canada	–27	14	—	–145	3	83	3	–341	16	13
Atomic Energy of Canada	–112	–59	–44	–81	–202	–149	–201	–242	–216	697
Canadian National Railways	–202	2	–205	–143	–213	–40	–99	385	–108	–8
Petro-Canada	—	—	—	—	–237	–257	–150	–280	–80	–440
Other	–90	–67	–90	–123	–276	–30	124	–11	15	275
Other loans	(–402)	(–563)	(–438)	(–577)	(–530)	(–326)	(–412)	(–231)	(–315)	(–126)
Finance-employment loans	–139	–135	–108	–67	–47	45	14	8	8	8
Regional Economic Expansion	–32	–64	–61	–52	–29	–17	4	–2	8	7
Canada Development Corporation	–25	–162	–75	–50	—	–10	—	—	—	—
Loans to developing countries	–143	–117	–141	–179	–215	–162	–198	–239	–242	–254
International organizations	n.a.	–55	–55	–97	–181	–159	–179	–173	–134	–110
Other	–63	–30	2	–132	–58	–23	–53	175	45	223
Total loans, investments and advances not including allowance	–1,627	–1,306	–1,453	–2,129	–3,353	–2,331	–1,869	–1,346	–1,639	207
Allowance for valuation	n.a.	96	116	181	438	180	99	244	211	–730
Total loans, investments and advances	–1,627	–1,210	–1,337	–1,948	–2,915	–2,151	–1,770	–1,102	–1,428	–523
B Specified purpose accounts										
Canada Pension Plan	32	43	41	53	76	98	93	124	113	173
Unemployment insurance account	–459	–370	–282	136	234	276	261	271	–150	–682
Superannuation accounts	728	859	1,001	1,261	1,502	1,656	1,888	1,956	1,966	2,307
Government annuities	–10	–13	–19	–21	–10	–1	–9	–10	–14	–15
Other	12	4	8	12	20	24	34	36	28	29
Total annuity, insurance and pension accounts	303	523	749	1,441	1,822	2,053	2,267	2,377	1,943	1,812
Provincial tax collection account	130	8	–44	–196	67	–121	330	366	118	728
Other deposit and trust accounts	22	11	–8	71	30	82	174	37	–14	241
Total deposit and trust accounts	152	19	–52	–125	97	–39	504	403	104	969
Total specified purpose accounts	455	542	697	1,316	1,919	2,014	2,771	2,780	2,047	2,781

Reference Table 63 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
					(Millions of dollars)					
C Other transactions										
Interest and matured debt	320	349	294	455	667	696	904	−509	−38	186
Accounts payable and accrued salaries	81	105	444	−109	−33	623	−521	214	91	772
Cash in transit	71	−104	−854	−72	665	−169	−188	3	−130	−693
Outstanding cheques, warrants and money orders	131	16	539	5	366	−361	632	−243	506	9
Other	−67	−7	84	−53	20	10	12	−30	−13	19
Total other transactions	536	359	507	226	1,685	799	839	−565	416	293
Total non-budgetary requirements	−636	−309	−133	−406	689	662	1,840	1,113	1,035	2,551
III Foreign exchange transactions Source or requirement (−)										
Exchange fund account	−938	−125	175	673	39	1,537	248	−2,375	2,143	1,263
International Monetary Fund										
Subscriptions	7	−51	−105	44	−89	110	−310	−482	−7	−930
Notes payable	115	103	137	−74	73	−364	260	690	39	715
Other international organizations										
Subscriptions, advances and loans	−51									
Notes payable	26									
Unmatured debt payable in foreign currency	−2	−2	−76	−50	−28	−2	855	6,186	−2,516	−66
Special Drawing Rights	117	—	—	—	—	—	133	243	213	175
Columbia River Treaty	26	—	—	—	—	—	—	—	—	—
Total foreign exchange transactions	−700	−75	131	593	−5	1,281	1,186	4,262	−128	1,157
IV Unmatured debt transactions Increase or decrease (−)										
Marketable bonds	363	36	93	672	1,137	2,265	3,439	8,146	6,417	7,834
Treasury bills	95	460	615	725	865	1,760	3,040	2,240	2,790	5,445
Canada Savings Bonds	1,907	1,277	−583	2,509	2,602	787	1,707	1,236	−1,166	−2,269
Securities issued to Canada Pension Plan	7	7	8	9	10	10	12	12	17	23
Notes and loans payable in foreign currencies	—	—	—	—	—	—	850	3,390	−2,528	−5
Less:										
Unmatured debt payable in foreign currency	2	2	76	50	28	2	−855	−6,186	2,516	66
Canada Savings Bonds held for employees	1	−8	−4	−13	−1	−5	−7	−15	−6	−1
Securities issued to Canada Pension Plan	−7	−7	−8	−9	−10	−10	−12	−12	−17	−23
Securities investment account[1]	−8	15	—	−3	−4	3	−2	−33	−145	83
Total unmatured debt transactions	2,360	1,782	197	3,940	4,627	4,812	8,172	8,778	7,878	11,153
V Level of cash balance at end of period										
In Canadian dollars	1,582	1,984	801	3,186	3,037	3,580	4,487	6,374	3,661	5,826
In foreign currency	18	15	9	18	15	17	19	59	77	105

[1] Including investments held for retirement of unmatured debt.

Note: For 1973 to 1981, subscriptions to international organisations (net of notes payable) are classified in the loans, investments and advances category and are not treated as exchange transactions.

Source: Public Accounts of Canada and Department of Finance.

Reference Table 64
Government of Canada
Liabilities and Assets
Public Accounts Presentation
(As at March 31)
1927 – 1981

	1927	1937	1947	1952	1957	1962	1967	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
								(Millions of dollars)									
Liabilities																	
Specified purpose accounts	109	243	1,060	2,081	3,240	3,929	6,953	9,939	10,851	11,829	13,014	14,690	16,432	19,237	22,017	24,064	26,845
Foreign liabilities	538	859	160	397	351	130	366	335	334	258	208	166	164	1,019	7,205	4,690	4,624
Other liabilities[2]	181	24	804	758	1,156	1,025	1,700	3,106	3,457	4,783	5,025	5,787	6,971	7,906	7,336	7,851	8,818
Unmatured debt—net of own holdings																	
Marketable bonds	2,436	3,125	13,601	11,431	9,144	10,861	11,188	13,665	13,716	13,809	14,480	15,609	17,877	21,314	29,427	35,699	43,616
Canada Savings Bonds	—	—	483	1,059	2,421	4,042	5,981	9,669	10,938	10,351	12,848	15,444	16,226	17,926	19,147	17,975	15,705
Treasury bills	—	150	1,280	1,400	1,625	1,885	2,310	3,830	4,290	4,905	5,630	6,495	8,255	11,295	13,535	16,325	21,770
Notes payable to Canadian banks	—	—	—	—	—	—	—	—	—	—	—	—	—	850	4,240	1,712	1,707
Total unmatured debt held by outside parties	2,436	3,275	15,364	13,890	13,190	16,788	19,479	27,164	28,944	29,065	32,958	37,548	42,358	51,385	66,349	71,711	82,798
Less: unmatured debt payable in foreign currency	538	859	160	397	351	130	366	335	334	258	208	166	164	1,019	7,205	4,690	4,624
Total unmatured debt payable in Canadian currency	1,898	2,416	15,204	13,493	12,839	16,658	19,113	26,829	28,610	28,807	32,750	37,382	42,194	50,366	59,144	67,021	78,174
Total liabilities[1]	2,726	3,542	17,228	16,729	17,586	21,742	28,132	40,209	43,252	45,677	50,997	58,025	65,761	78,528	95,702	103,626	118,461
Assets																	
Loans, investments and advances[2]	243	429	2,805	3,890	4,281	5,994	8,903	13,957	15,425	17,008	18,772	21,177	23,272	24,984	26,083	27,480	27,984
Foreign assets	—	—	1,025	1,950	2,183	2,095	3,148	5,537	5,610	5,403	4,760	4,737	3,454	3,123	5,048	2,660	1,437
Other assets	135	29	350	−296	113	426	546	1,904	2,407	2,072	4,538	3,721	4,435	5,532	7,456	4,891	7,777
Total assets	378	458	4,180	5,544	6,577	8,515	12,597	21,398	23,442	24,483	28,070	29,635	31,161	33,639	38,587	35,031	37,198
Excess of recorded liabilities over recorded assets[1]	2,348	3,084	13,048	11,185	11,009	13,227	15,535	18,811	19,810	21,194	22,927	28,390	34,600	44,889	57,115	68,595	81,263

[1] Total liabilities are normally referred to as the *gross debt of Canada* whereas the excess of recorded liabilities over recorded assets is normally referred to as the *net debt of Canada*.
[2] Includes internal accounts.

Note: The liabilities and assets for the years 1972 to 1981 are adjusted to charge loan write-offs and provisions in the years in which the funds were expended rather than the years in which the write-offs or provisions were made. In addition, the government contribution to the Unemployment Insurance Account is treated for these years on a current basis. Undisbursed balances of appropriations to special accounts are eliminated and the unamortized portion of flotation costs of marketable bonds and Canada Savings Bonds is recorded as a charge to budgetary expenditure in the year in which the cost was incurred. Further, subscriptions and notes payable to international organizations other than the International Monetary Fund are treated as part of loans, investments and advances, and not as exchange transactions. Figures for the years prior to 1972 are thus not on a strictly consistent basis with figures for 1972 to 1981. For all years the old age security transactions are treated as budgetary.

Source: Public Accounts of Canada and Department of Finance.

Reference Table 65
Allocation of Revenues from Own Sources, by Levels of Government
1945 – 1981

Year	Revenues from own sources[1]				Percentage distribution		
	(a) Federal	(b) Provincial	(c) Local	(d) Total (a) + (b) + (c)	(e) Federal (a) ÷ (d)	(f) Provincial (b) ÷ (d)	(g) Local (c) ÷ (d)
	(Millions of dollars)				(Per cent)		
1945	2,385	538	415	3,338	71.4	16.1	12.4
1946	2,555	619	440	3,614	70.7	17.1	12.2
1947	2,696	780	485	3,961	68.1	19.7	12.2
1948	2,681	879	540	4,100	65.4	21.4	13.2
1949	2,659	925	583	4,167	63.8	22.2	14.0
1950	2,972	1,013	649	4,634	64.1	21.9	14.0
1951	4,113	1,194	746	6,053	67.9	19.7	12.3
1952	4,492	1,320	850	6,662	67.4	19.8	12.8
1953	4,563	1,410	922	6,895	66.2	20.4	13.4
1954	4,344	1,481	994	6,819	63.7	21.7	14.6
1955	4,745	1,640	1,073	7,458	63.6	22.0	14.4
1956	5,411	1,865	1,220	8,496	63.7	22.0	14.4
1957	5,455	2,075	1,357	8,887	61.4	23.3	15.3
1958	5,163	2,216	1,489	8,868	58.2	25.0	16.8
1959	5,871	2,489	1,686	10,046	58.4	24.8	16.8
1960	6,228	2,629	1,853	10,710	58.2	24.5	17.3
1961	6,473	2,860	1,982	11,315	57.2	25.3	17.5
1962	6,899	3,396	2,142	12,437	55.5	27.3	17.2
1963	7,323	3,639	2,286	13,248	55.3	27.5	17.3
1964	8,355	4,189	2,396	14,940	55.9	28.0	16.0
1965	9,095	4,949[2]	2,646	16,690	54.5	29.7	15.9
1966	9,984	5,782	2,956	18,722	53.3	30.9	15.8
1967	10,906	6,782	3,298	20,986	52.0	32.3	15.7
1968	12,218	7,966	3,658	23,842	51.2	33.4	15.3
1969	14,490	9,293	4,067	27,850	52.0	33.4	14.6
1970	15,528	10,548	4,438	30,514	50.9	34.6	14.5
1971	17,241	11,744	4,748	33,733	51.1	34.8	14.1
1972	19,560	13,253	5,214	38,027	51.4	34.9	13.7
1973	22,809	15,880	5,582	44,271	51.5	35.9	12.6
1974	29,978	20,039	6,247	56,264	53.3	35.6	11.1
1975	31,703	22,253	7,303	61,259	51.8	36.3	11.9
1976	35,313	25,974	8,674	69,961	50.5	37.1	12.4
1977	36,509	31,055	9,795	77,359	47.2	40.1	12.7
1978	38,325	35,782	10,915	85,022	45.1	42.1	12.8
1979	43,461	40,096	12,018	95,575	45.5	42.0	12.6
1980	50,076	45,260	13,338	108,674	46.1	41.6	12.3
1981	63,984	51,388	14,870	130,242	49.1	39.5	11.4
1973[3]	22,726	15,880	5,582	44,188	51.4	35.9	12.6
1974[3]	28,360	20,039	6,247	54,646	51.9	36.7	11.4
1975[3]	30,582	22,253	7,303	60,138	50.9	37.0	12.1
1976[3]	34,613	25,974	8,674	69,261	50.0	37.5	12.5
1977[3]	36,033	31,055	9,795	76,883	46.9	40.4	12.7
1978[3]	38,031	35,782	10,915	84,728	44.9	42.2	12.9
1979[3]	42,743	40,096	12,018	94,857	45.1	42.3	12.7
1980[3]	49,226	45,260	13,338	107,824	45.7	42.0	12.4
1981[3]	63,009	51,388	14,870	129,267	48.7	39.8	11.5

[1] Tax rental payments are assumed to be a provincial revenue from own sources and have been deducted from "federal revenues from own sources".
[2] The value of the federal tax abatements in Quebec, introduced in 1965 under the *Established Programs (Interim Arrangements) Act* (contracting-out arrangements), is included as a provincial revenue from own sources.
[3] Revenues excluding federal oil export charge.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*, cat. 13-531; and *National Income and Expenditure Accounts*.

Reference Table 66
Intergovernmental Transfers
1945 – 1981

Year	Transfers from				Revenue from own sources[1]			Federal transfers			Total transfers
	(a) Federal to provincial governments[1]	(b) Federal to local governments	(c) Provincial to local governments	(d) Local to provincial governments	(e) Federal	(f) Provincial	(g) Local	(h) As a % of federal revenues ((a) + (b)) ÷ (e)	(i) To provinces as a % of provincial revenues (a) ÷ (f)	(j) To local governments as a % of local revenues (b) ÷ (g)	(k) Received by local governments as a % of local revenues ((b) + (c)) ÷ (g)
D	40374	40375	40376	40378							
	(Millions of dollars)							(Per cent)			
1945	76	—	63	7	2,385	538	415	3.2	14.1	—	15.2
1946	97	—	79	7	2,555	619	440	3.8	15.7	—	18.0
1947	112	—	101	7	2,696	780	485	4.2	14.4	—	20.8
1948	114	—	129	9	2,681	879	540	4.3	13.0	—	23.9
1949	147	—	157	10	2,659	925	583	5.5	15.9	—	26.9
1950	202	1	171	11	2,972	1,013	649	6.8	19.9	0.2	26.5
1951	205	2	197	13	4,113	1,194	746	5.0	17.2	0.3	26.7
1952	170	3	215	13	4,492	1,320	850	3.9	12.9	0.4	25.6
1953	163	3	242	15	4,563	1,410	922	3.6	11.6	0.3	26.6
1954	164	2	259	15	4,344	1,481	994	3.8	11.1	0.2	26.3
1955	180	7	327	22	4,745	1,640	1,073	3.9	11.0	0.7	31.1
1956	189	9	362	18	5,411	1,865	1,220	3.7	10.1	0.7	30.4
1957	288	16	452	28	5,455	2,075	1,357	5.6	13.9	1.2	34.5
1958	394	23	545	17	5,163	2,216	1,489	8.1	17.8	1.5	38.1
1959	588	24	622	24	5,871	2,489	1,686	10.4	23.6	1.4	38.3
1960	673	32	714	17	6,228	2,629	1,853	11.3	25.6	1.7	40.3
1961	789	33	841	15	6,473	2,860	1,982	12.7	27.6	1.7	44.1
1962	1,010	44	1,063	15	6,899	3,396	2,142	15.3	29.7	2.1	51.7
1963	1,117	52	1,148	17	7,323	3,639	2,286	16.0	30.7	2.3	52.5
1964	1,199	53	1,289	18	8,355	4,189	2,396	15.0	28.6	2.2	56.0
1965	1,357	74	1,440	22	9,095	4,949	2,646	15.7	27.4	2.8	57.2
1966	1,556	108	1,760	37	9,984	5,782	2,956	16.7	26.9	3.7	63.2
1967	1,895	97	2,025	56	10,906	6,782	3,298	18.3	27.9	2.9	64.3
1968	2,280	92	2,262	40	12,218	7,966	3,658	19.4	28.6	2.5	64.4
1969	2,632	94	2,501	46	14,490	9,293	4,067	18.8	28.3	2.3	63.8
1970	3,303	94	3,098	44	15,528	10,548	4,438	21.9	31.3	2.1	71.9
1971	4,230	93	3,490	44	17,241	11,744	4,748	25.1	36.0	2.0	75.5
1972	4,400	158	3,911	49	19,560	13,253	5,214	23.3	33.2	3.0	78.0
1973	4,694	113	4,388	40	22,809	15,880	5,582	21.1	29.6	2.0	80.6
1974	6,013	152	5,156	41	29,978	20,039	6,247	20.6	30.0	2.4	85.0
1975	7,527	143	6,560	50	31,703	22,253	7,303	24.2	33.8	2.0	91.8
1976	8,318	204	7,163	51	35,313	25,974	8,674	24.1	32.0	2.4	84.9
1977	9,615	352	8,845	50	36,509	31,055	9,795	27.3	31.0	3.6	93.9
1978	10,527	348	9,059	47	38,325	35,782	10,915	28.4	29.4	3.2	86.2
1979	11,419	335	10,958	48	43,461	40,096	12,018	27.0	28.5	2.8	94.0
1980	12,533	295	11,438	59	50,076	45,260	13,338	25.6	27.7	2.2	88.0
1981	13,765	295	12,776	121	63,984	51,388	14,870	22.0	26.8	2.0	87.9

[1] Tax rental payments are assumed to be a "provincial revenue from own sources" and are not included in federal transfers to provincial governments.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*; and *National Income and Expenditure Accounts*.

Reference Table 67
Allocations of Revenues After Transfers, by Levels of Government
1945 – 1981[1]

Year	Revenues after transfers				Percentage distribution		
	(a) Federal	(b) Provincial	(c) Local	(d) Total (a) + (b) + (c)	(e) Federal (a) ÷ (d)	(f) Provincial (b) ÷ (d)	(g) Local (c) ÷ (d)
	(Millions of dollars)						
1945	2,309	558	471	3,338	69.2	16.7	14.1
1946	2,458	644	512	3,614	68.0	17.8	14.2
1947	2,584	798	579	3,961	65.2	20.1	14.6
1948	2,567	873	660	4,100	62.6	21.3	16.1
1949	2,512	925	730	4,167	60.3	22.2	17.5
1950	2,769	1,055	810	4,634	59.8	22.8	17.5
1951	3,906	1,215	932	6,053	64.5	20.1	15.4
1952	4,319	1,288	1,055	6,662	64.8	19.3	15.8
1953	4,397	1,346	1,152	6,895	63.8	19.5	16.7
1954	4,178	1,401	1,240	6,819	61.3	20.5	18.2
1955	4,558	1,515	1,385	7,458	61.1	20.3	18.6
1956	5,213	1,710	1,573	8,496	61.4	20.1	18.5
1957	5,151	1,939	1,797	8,887	58.0	21.8	20.2
1958	4,746	2,082	2,040	8,868	53.5	23.5	23.0
1959	5,259	2,479	2,308	10,046	52.3	24.7	23.0
1960	5,523	2,605	2,582	10,710	51.6	24.3	24.1
1961	5,651	2,823	2,841	11,315	49.9	24.9	25.1
1962	5,845	3,358	3,234	12,437	47.0	27.0	26.0
1963	6,154	3,625	3,469	13,248	46.5	27.4	26.2
1964	7,103	4,117	3,720	14,940	47.5	27.6	24.9
1965	7,664	4,888	4,138	16,690	45.9	29.3	24.8
1966	8,320	5,615	4,787	18,722	44.4	30.0	25.6
1967	8,914	6,708	5,364	20,986	42.5	32.0	25.6
1968	9,846	8,024	5,972	23,842	41.3	33.7	25.0
1969	11,734	9,470	6,616	27,850	42.2	34.0	23.8
1970	12,131	10,797	7,586	30,514	39.8	35.4	24.9
1971	12,918	12,528	8,287	33,733	38.3	37.1	24.6
1972	15,002	13,791	9,234	38,027	39.5	36.3	24.3
1973	18,002	16,226	10,043	44,271	40.7	36.7	22.7
1974	23,813	20,937	11,514	56,264	42.3	37.2	20.5
1975	24,033	23,270	13,956	61,259	39.2	38.0	22.8
1976	26,791	27,180	15,990	69,961	38.3	38.9	22.9
1977	26,542	31,875	18,942	77,359	34.3	41.2	24.5
1978	27,450	37,297	20,275	85,022	32.3	43.9	23.8
1979	31,707	40,605	23,263	95,575	33.2	42.5	24.3
1980	37,248	46,414	25,012	108,674	34.3	42.7	23.0
1981	49,924	52,498	27,820	130,242	38.3	40.3	21.4
1973[2]	17,919	16,226	10,043	44,188	40.6	36.7	22.7
1974[2]	22,195	20,937	11,514	54,646	40.6	38.3	21.1
1975[2]	22,912	23,270	13,956	60,138	38.1	38.7	23.2
1976[2]	26,091	27,180	15,990	69,261	37.7	39.2	23.1
1977[2]	26,066	31,875	18,942	76,883	33.9	41.5	24.6
1978[2]	27,156	37,297	20,275	84,728	32.1	44.0	23.9
1979[2]	30,989	40,605	23,263	94,857	32.7	42.8	24.5
1980[2]	36,398	46,414	25,012	107,824	33.8	43.0	23.2
1981[2]	48,949	52,498	27,820	129,267	37.9	40.6	21.5

[1] Transfers between levels of government subtracted from revenues of governments which pay and added to revenues of governments which receive.
[2] Revenues excluding federal oil export charge.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*; and *National Income and Expenditure Accounts*.

Reference Table 68
Allocation of Expenditures by Levels of Government Before and After Transfer Payments 1926 – 1981[1]

Years	Before transfer payments[2]			After transfer payments[3]				Before transfer payments			After transfer payments		
	(a) Total federal expenditures	(b) Total provincial expenditures	(c) Total local expenditures	(d) Total federal expenditures	(e) Total provincial expenditures	(f) Total local expenditures	(g) Total government expenditures (d) + (e) + (f)	Federal share (a)÷(g)	Provincial share (b)÷(g)	Local share (c)÷(g)	Federal share (d)÷(g)	Provincial share (e)÷(g)	Local share (f)÷(g)
	(Millions of dollars)							(Per cent)					
Pre-tax-rental era:													
1926	321	166	323	306	164	340	810	39.6	20.5	39.9	37.8	20.2	42.0
1927	336	181	342	320	177	362	859	39.1	21.1	39.8	37.3	20.6	42.1
1928	344	207	347	327	202	369	898	38.3	23.1	38.6	36.4	22.5	41.1
1929	362	240	389	345	234	412	991	36.5	24.2	39.3	34.8	23.6	41.6
1930	389	276	434	364	275	460	1099	35.4	25.1	39.5	33.1	25.0	41.9
1931	409	286	421	353	298	465	1116	36.6	25.6	37.7	31.6	26.7	41.7
1932	387	261	399	325	295	427	1047	37.0	24.9	38.1	31.0	28.2	40.8
1933	360	240	336	324	286	346	956	39.7	25.1	35.1	33.9	29.9	36.2
1934	409	300	332	338	355	348	1041	39.3	28.8	31.9	32.5	34.1	33.4
1935	453	307	333	379	369	345	1093	41.4	28.1	30.5	34.7	33.8	31.6
1936	459	297	331	368	371	348	1087	42.2	27.3	30.5	33.9	34.1	32.0
1937	476	364	333	371	448	354	1173	40.6	31.0	28.4	31.6	38.2	30.2
1938	524	394	336	438	457	359	1254	41.8	31.4	26.8	34.9	36.4	28.6
1939	483	382	340	404	436	365	1205	40.1	31.7	28.2	33.5	36.2	30.3
1940	1024	330	335	954	378	357	1689	60.6	19.5	19.9	56.5	22.4	21.1
1941	1550	354	333	1496	384	357	2237	69.3	15.8	14.9	66.9	17.2	16.0
Tax-rental era:													
1942	3680	334	332	3615	369	362	4346	84.7	7.7	7.6	83.2	8.5	8.3
1943	4323	359	340	4264	385	373	5022	86.1	7.1	6.8	84.9	7.7	7.4
1944	5233	397	350	5165	414	401	5980	87.5	6.6	5.9	86.4	6.9	6.7
1945	4217	446	356	4141	466	422	5029	83.9	8.9	7.3	82.3	9.3	8.4
1946	2800	526	425	2703	551	497	3751	74.6	14.0	11.3	72.1	14.7	13.2
1947	2009	685	504	1897	703	598	3198	62.8	21.4	15.8	59.3	22.0	18.7
1948	1916	864	598	1802	858	718	3378	56.7	25.6	17.7	53.3	25.4	21.3
1949	2175	983	666	2028	983	813	3824	56.9	25.7	17.4	53.0	25.7	21.3
1950	2322	1017	741	2119	1059	902	4080	56.9	24.9	18.2	51.9	26.0	22.1
1951	3142	1190	895	2935	1211	1081	5227	60.1	22.8	17.1	56.2	23.2	20.7
1952	4297	1259	1049	4124	1227	1254	6605	65.1	19.1	15.9	62.4	18.6	19.0
1953	4412	1303	1097	4246	1239	1327	6812	64.8	19.1	16.1	62.3	18.2	19.5
1954	4390	1428	1273	4224	1348	1519	7091	61.9	20.1	18.0	59.6	19.0	21.4
1955	4543	1612	1343	4356	1487	1655	7498	60.6	21.5	17.9	58.1	19.8	22.1
1956	4813	1909	1502	4615	1754	1855	8224	58.5	23.2	18.3	56.1	21.3	22.6
1957	5205	2059	1642	4901	1923	2082	8906	58.4	23.1	18.4	55.0	21.6	23.4
1958	5930	2266	1750	5513	2132	2301	9946	59.6	22.8	17.6	55.4	21.4	23.1
1959	6210	2502	1935	5598	2492	2557	10647	58.3	23.5	18.2	52.6	23.4	24.0
1960	6457	2842	2081	5752	2818	2810	11380	56.7	25.0	18.3	50.5	24.8	24.7
1961	6883	3141	2110	6061	3104	2969	12134	56.7	25.9	17.4	50.0	25.6	24.5

Reference Table 68 (continued)
Allocation of Expenditures by Levels of Government
Before and After Transfer Payments
1926 – 1981[1]

Years	Before transfer payments[2]			After transfer payments[3]				Before transfer payments			After transfer payments		
	(a) Total federal expenditures	(b) Total provincial expenditures	(c) Total local expenditures	(d) Total federal expenditures	(e) Total provincial expenditures	(f) Total local expenditures	(g) Total government expenditures (d) + (e) + (f)	Federal share (a)÷(g)	Provincial share (b)÷(g)	Local share (c)÷(g)	Federal share (d)÷(g)	Provincial share (e)÷(g)	Local share (f)÷(g)
	(Millions of dollars)							(Per cent)					
Post-tax-rental era:													
1962	7406	3452	2277	6352	3414	3369	13135	56.4	26.3	17.3	48.4	26.0	25.6
1963	7609	3738	2484	6440	3724	3667	13831	55.0	27.0	18.0	46.6	26.9	26.5
1964	8010	4270	2537	6758	4198	3861	14817	54.1	28.8	17.1	45.6	28.3	26.1
1965	8551	4949	3013	7120	4888	4505	16513	51.8	30.0	18.2	43.1	29.6	27.3
1966	9753	5956	3283	8089	5789	5114	18992	51.4	31.4	17.3	42.6	30.5	26.9
1967	10990	7116	3635	8998	7042	5701	21741	50.5	32.7	16.7	41.4	32.4	26.2
1968	12229	8022	4094	9857	8080	6408	24345	50.2	33.0	16.8	40.5	33.2	26.3
1969	13469	8974	4609	10743	9151	7158	27052	49.8	33.2	17.0	39.7	33.8	26.5
1970	15262	10777	4908	11865	11026	8056	30947	49.3	34.8	15.9	38.3	35.6	26.0
1971	17386	12214	5263	13063	12998	8802	34863	49.9	35.0	15.1	37.5	37.3	25.2
1972	20126	13944	5385	15568	14482	9405	39455	51.0	35.3	13.6	39.5	36.7	23.8
1973	22422	15982	6067	17615	16328	10528	44471	50.4	35.9	13.6	39.6	36.7	23.7
1974	28869	19387	7066	22704	20285	12333	55322	52.2	35.0	12.8	41.0	36.7	22.3
1975	35508	24009	7871	27838	25026	14524	67388	52.7	35.6	11.7	41.3	37.1	21.6
1976	38704	27517	9443	30182	28723	16759	75664	51.2	36.4	12.5	39.9	38.0	22.1
1977	43812	31789	9636	33845	32609	18783	85237	51.4	37.3	11.3	39.7	38.3	22.0
1978	48979	34733	11052	38104	36248	20412	94764	51.7	36.7	11.7	40.2	38.3	21.5
1979	52674	39324	11229	40920	39833	22474	103227	51.0	38.1	10.9	39.6	38.6	21.8
1980	60773	43695	13240	47945	44849	24914	117708	51.6	37.1	11.2	40.7	38.1	21.2
1981	71488	48695	15122	57428	49805	28072	135305	52.8	36.0	11.2	42.4	36.8	20.7
1974[4]	27983	19387	7066	21818	20285	12333	54436	51.4	35.6	13.0	40.1	37.3	22.7
1975[4]	33817	24009	7871	26147	25026	14524	65697	51.5	36.5	12.0	39.8	38.1	22.1
1976[4]	37650	27517	9443	29128	28723	16759	74610	50.5	36.9	12.7	39.0	38.5	22.5
1977[4]	42890	31789	9636	32923	32609	18783	84315	50.9	37.7	11.4	39.0	38.7	22.3
1978[4]	48276	34733	11052	37401	36248	20412	94061	51.3	36.9	11.7	39.8	38.5	21.7
1979[4]	51244	39324	11229	39490	39833	22474	101797	50.3	38.6	11.0	38.8	39.1	22.1
1980[4]	56848	43695	13240	44020	44849	24914	113783	50.0	38.4	11.6	38.7	39.4	21.9
1981[4]	67225	48695	15122	53165	49805	28072	131042	51.3	37.2	11.5	40.6	38.0	21.4

(1) Includes conditional, unconditional and other types of transfer payments.
(2) Transfers between levels of government are attributed to the government who makes them.
(3) Transfers between levels of government are subtracted from expenditures of paying government and added to expenditures of recipient government.
(4) Expenditures excluding federal oil import subsidy, and Petroleum Compensation Revolving Fund.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*, and *National Income and Expenditure Accounts*.

Reference Table 69
Summary of Balance of Payments
1947 – 1981

Years	Merchandise exports	Merchandise imports	Merchandise trade balance	Service receipts	Service payments	Balance on goods and services	Net transfers	Balance on current account	Net capital movements inflows and outflows (–) Long-term forms	Net capital movements inflows and outflows (–) Short-term forms[1]	Special Drawing Rights allocations	Net official monetary movements[2]
D	50501	50526	50502	50544	50557	50558	50687	50555	50710	50688	50710	50712
						(Millions of dollars)						
1947	2,723	2,535	188	939	1,057	70	–21	49	–721	4	—	–668
1948	3,030	2,598	432	1,015	1,022	425	26	451	43	–2	—	492
1949	2,989	2,696	293	1,015	1,157	151	26	177	–29	–20	—	128
1950	3,139	3,132	7	1,019	1,360	–334	15	–319	610	431	—	722
1951	3,950	4,101	–151	1,102	1,479	–528	16	–512	666	–98	—	56
1952	4,339	3,854	485	1,217	1,516	186	1	187	455	–605	—	37
1953	4,152	4,212	–60	1,216	1,594	–438	–10	–448	649	–239	—	–38
1954	3,934	3,916	18	1,191	1,627	–418	–6	–424	599	–51	—	124
1955	4,332	4,543	–211	1,405	1,847	–653	–34	–687	414	229	—	–44
1956	4,837	5,565	–728	1,500	2,099	–1,327	–45	–1,372	1,490	–70	—	48
1957	4,894	5,488	–594	1,472	2,278	–1,400	–51	–1,451	1,320	26	—	–105
1958	4,890	5,066	–176	1,420	2,256	–1,012	–125	–1,137	1,153	93	—	109
1959	5,151	5,572	–421	1,503	2,456	–1,374	–113	–1,487	1,179	297	—	–11
1960	5,392	5,540	–148	1,590	2,549	–1,107	–126	–1,233	929	265	—	–39
1961	5,889	5,716	173	1,735	2,764	–856	–72	–928	930	290	—	292
1962	6,387	6,203	184	1,847	2,842	–811	–19	–830	688	296	—	154
1963	7,082	6,579	503	1,986	2,982	–493	–28	–521	637	29	—	145
1964	8,238	7,537	701	2,265	3,376	–410	–14	–424	750	38	—	364
1965	8,745	8,627	118	2,437	3,714	–1,159	29	–1,130	833	455	—	158
1966	10,326	10,102	224	2,719	4,157	–1,214	52	–1,162	1,228	–425	—	–359
1967	11,338	10,772	566	3,325	4,462	–571	72	–499	1,415	–896	—	20
1968	13,720	12,249	1,471	3,070	4,822	–281	184	–97	1,669	–1,223	—	349
1969	15,035	14,071	964	3,695	5,719	–1,060	143	–917	2,337	–1,355	—	65
1970	16,921	13,869	3,052	4,246	6,345	953	153	1,106	1,007	–583	133	1,663
1971	17,877	15,314	2,563	4,304	6,702	165	266	431	664	–318	119	896
1972	20,129	18,272	1,857	4,451	6,978	–670	284	–386	1,588	–983	117	336
1973	25,461	22,726	2,735	5,257	8,228	–236	344	108	628	–1,203	—	–467
1974	32,591	30,902	1,689	6,401	10,107	–2,017	557	–1,460	1,041	443	—	24
1975	33,511	33,962	–451	6,941	11,627	–5,137	380	–4,757	3,935	417	—	–405
1976	37,995	36,607	1,388	7,606	13,366	–4,372	530	–3,842	8,007	–3,643	—	522
1977	44,253	41,523	2,730	8,295	15,739	–4,714	413	–4,301	4,217	–1,337	—	–1,421
1978	53,054	49,047	4,007	9,931	18,923	–4,985	50	–4,935	3,081	–1,445	—	–3,299
1979	65,275	61,125	4,150	11,812	21,546	–5,584	690	–4,894	2,099	4,484	219	1,908
1980	76,170	68,360	7,810	14,088	25,083	–3,185	1,281	–1,904	1,305	–898	217	–1,280
1981	84,140	77,504	6,636	14,859	29,673	–8,178	1,602	–6,576	1,340	6,452	210	1,426

(1) Includes net errors and omissions.
(2) Net official monetary movements include transactions in official international reserves and official monetary liabilities.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

Reference Table 70
Bilateral Payments Balance with the United States
1947 – 1981

Years	Merchandise trade balance	Balance on goods and services	Balance on current account	Net capital movements inflows and outflows (–)		Net balance
				Long-term forms	Short-term forms	
D	51551	51558	51555	51687	51688	51690
			(Millions of dollars)			
1947	–890	–1,115	–1,134	–158	–5	–1,297
1948	–289	–374	–393	126	–15	–282
1949	–378	–575	–601	116	–52	–537
1950	–50	–369	–385	625	220	460
1951	–520	–922	–945	560	–66	–451
1952	–473	–791	–830	387	–104	–547
1953	–590	–869	–907	440	–75	–542
1954	–440	–762	–800	395	54	–351
1955	–685	–981	–1,029	209	127	–693
1956	–1,167	–1,583	–1,650	1,034	–167	–783
1957	–947	–1,497	–1,579	963	–263	–879
1958	–532	–1,109	–1,167	950	–16	–233
1959	–536	–1,149	–1,221	927	68	–226
1960	–673	–1,266	–1,359	746	127	–486
1961	–615	–1,257	–1,341	953	205	–183
1962	–438	–1,019	–1,092	680	536	124
1963	–488	–1,070	–1,148	843	–49	–354
1964	–808	–1,565	–1,635	943	580	–112
1965	–1,041	–1,883	–1,937	1,074	–398	–1,261
1966	–993	–2,001	–2,030	1,393	–291	–928
1967	–569	–1,301	–1,342	1,317	–265	–290
1968	389	–744	–747	1,151	–639	–235
1969	472	–877	–845	1,669	–239	585
1970	1,121	–227	–165	989	47	871
1971	1,445	–215	–86	877	1,867	2,658
1972	1,513	–272	–137	1,059	–201	721
1973	1,242	–930	–834	1,134	–605	–305
1974	1,001	–1,639	–1,530	1,653	1,628	1,751
1975	–1,125	–4,903	–4,810	3,292	2,104	586
1976	519	–4,165	–4,090	4,636	–15	531
1977	1,496	–4,161	–4,115	2,227	453	–1,435
1978	2,580	–4,549	–4,474	2,685	2,171	382
1979	327	–7,879	–7,777	715	2,962	–4,100
1980	727	–9,014	–8,875	947	–2,361	–10,289
1981	2,782	–8,833	–8,698	–1,214	11,799	1,887

Note: Since errors and omissions are excluded, the regional breakdown of Canada's balance of international payments will not equal the total for transactions with all countries.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 71
Bilateral Payments Balance with the Rest of the World
1947 – 1981

Years	Merchandise trade balance	Balance on goods and services	Balance on current account	Net capital movements inflows and outflows(–)		Special Drawing Rights allocations	Net balance
				Long-term forms	Short-term forms		
	(Millions of dollars)						
1947	1,078	1,147	1,183	– 563	9	—	629
1948	721	773	844	– 83	13	—	774
1949	671	702	778	– 145	32	—	665
1950	57	5	66	– 15	110	—	161
1951	369	356	433	106	– 94	—	445
1952	958	977	1,017	68	– 112	—	973
1953	530	431	459	209	2	—	670
1954	458	344	376	204	– 35	—	545
1955	474	328	342	205	72	—	619
1956	439	256	278	456	73	—	708
1957	353	97	128	357	47	—	532
1958	356	97	30	203	– 2	—	231
1959	115	– 225	– 266	252	– 88	—	– 102
1960	525	159	126	183	37	—	346
1961	788	401	413	– 23	– 72	—	318
1962	622	208	262	8	– 95	—	175
1963	991	577	627	– 206	46	—	467
1964	1,509	1,155	1,211	– 193	– 655	—	363
1965	1,159	724	807	– 241	1,092	—	1,658
1966	1,217	787	868	– 165	48	—	751
1967	1,135	730	843	98	– 130	—	811
1968	1,082	463	650	518	200	—	1,368
1969	492	– 183	– 72	668	– 897	—	– 301
1970	1,931	1,180	1,271	18	– 243	133	1,046
1971	1,118	380	517	– 213	– 837	119	– 533
1972	344	– 398	– 249	529	673	117	953
1973	1,493	694	942	– 506	52	—	488
1974	688	– 378	70	– 612	– 318	—	– 860
1975	674	– 234	53	643	– 484	—	212
1976	869	– 207	248	3,371	84	—	3,703
1977	1,234	– 553	– 186	1,990	215	—	2,019
1978	1,427	– 436	– 461	396	– 934	—	– 999
1979	3,823	2,295	2,883	1,384	3,790	219	8,057
1980	7,083	5,829	6,971	358	3,474	217	10,803
1981	3,854	655	2,122	2,554	3,091	210	7,767

Note: Since errors and omissions are excluded, the regional breakdown of Canada's balance of international payments will not equal the total for transactions with all countries.

Reference Table 72
International Payments: Current Account
1947 – 1981

Years	Current receipts							
	Merchandise exports (adjusted)	Gold production available for export	Travel	Interest and dividends	Freight and shipping	Other service receipts	Transfer receipts	Total current receipts
D	50501	50505	50506	50508	50512	50516		50525
	(Millions of dollars)							
1947	2,723	99	251	64	322	203	121	3,783
1948	3,030	119	279	70	336	211	143	4,188
1949	2,989	139	285	83	303	205	132	4,136
1950	3,139	163	275	94	284	203	126	4,284
1951	3,950	150	274	115	351	212	151	5,203
1952	4,339	150	275	152	383	269	160	5,728
1953	4,152	144	302	164	318	300	167	5,547
1954	3,934	155	305	147	313	283	169	5,306
1955	4,332	155	328	161	398	375	177	5,926
1956	4,837	147	337	142	457	430	194	6,544
1957	4,894	144	363	153	445	380	233	6,612
1958	4,890	157	349	167	401	365	171	6,500
1959	5,151	148	391	180	420	384	213	6,887
1960	5,392	162	420	171	442	393	235	7,215
1961	5,889	162	482	213	486	390	282	7,904
1962	6,387	155	562	202	509	419	314	8,548
1963	7,082	154	609	230	563	430	348	9,416
1964	8,238	145	662	332	644	482	384	10,887
1965	8,745	138	747	322	668	562	466	11,648
1966	10,326	127	840	318	758	676	555	13,600
1967	11,338	112	1,318	295	830	770	640	15,303
1968	13,720	33	953	353	891	840	674	17,464
1969	15,035	—	1,047	451	935	1,262	695	19,425
1970	16,921	—	1,206	528	1,126	1,386	765	21,932
1971	17,877	—	1,246	558	1,184	1,316	870	23,051
1972	20,129	—	1,230	665	1,241	1,315	903	25,483
1973	25,461	—	1,446	790	1,494	1,527	1,058	31,776
1974	32,591	—	1,694	882	1,812	2,013	1,360	40,352
1975	33,511	—	1,815	926	1,714	2,486	1,388	41,840
1976	37,995	—	1,930	825	2,082	2,769	1,509	47,110
1977	44,253	—	2,025	874	2,371	3,025	1,555	54,103
1978	53,054	—	2,378	1,208	2,714	3,631	1,592	64,577
1979	65,275	—	2,887	1,271	3,469	4,185	2,001	79,088
1980	76,170	—	3,349	1,660	3,894	5,185	2,663	92,921
1981	84,140	—	3,731	1,607	4,193	5,328	3,058	102,057

Reference Table 72 (continued)
International Payments: Current Account
1947 – 1981

Years	Current payments							
	Merchandise imports (adjusted)	Travel	Interest and dividends	Freight and shipping	Other service payments	Official contributions	Other transfer payments	Total current payments
D	50526	50531	50533	50537	50545	50542		50550
	(Millions of dollars)							
1947	2,535	167	337	278	275	38	104	3,734
1948	2,598	134	325	279	284	23	94	3,737
1949	2,696	193	390	253	321	6	100	3,959
1950	3,132	226	475	301	358	5	106	4,603
1951	4,101	280	452	354	405	9	114	5,715
1952	3,854	341	413	375	398	16	144	5,541
1953	4,212	365	406	374	461	25	152	5,995
1954	3,916	389	424	356	470	11	164	5,730
1955	4,543	449	473	415	510	24	199	6,613
1956	5,565	498	524	502	575	30	222	7,916
1957	5,488	525	594	515	645	40	256	8,063
1958	5,066	542	614	460	639	53	263	7,637
1959	5,572	598	671	525	662	72	274	8,374
1960	5,540	627	656	533	733	61	298	8,448
1961	5,716	642	764	568	790	56	296	8,832
1962	6,203	605	783	595	859	36	297	9,378
1963	6,579	585	860	648	889	65	311	9,937
1964	7,537	712	1,010	679	975	69	329	11,311
1965	8,627	796	1,086	761	1,071	93	344	12,778
1966	10,102	900	1,140	823	1,294	166	337	14,726
1967	10,772	895	1,211	861	1,495	182	386	15,802
1968	12,249	982	1,259	931	1,650	133	357	17,561
1969	14,071	1,261	1,366	996	2,096	144	408	20,342
1970	13,869	1,422	1,550	1,106	2,267	201	411	20,826
1971	15,314	1,448	1,699	1,196	2,359	201	403	22,620
1972	18,272	1,464	1,713	1,315	2,486	227	392	25,869
1973	22,726	1,742	2,050	1,560	2,876	253	461	31,668
1974	30,902	1,978	2,435	2,036	3,658	332	471	41,812
1975	33,962	2,542	2,879	2,147	4,059	513	495	46,597
1976	36,607	3,121	3,323	2,232	4,690	455	524	50,952
1977	41,523	3,666	4,532	2,397	5,144	543	599	58,404
1978	49,047	4,084	5,904	2,583	6,352	910	632	69,512
1979	61,125	3,955	6,512	3,160	7,919	645	666	83,982
1980	68,360	4,577	7,204	3,526	9,776	680	702	94,825
1981	77,504	4,888	8,589	3,950	12,245	718	738	108,633

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 73
Merchandise Trade Detail: Exports
1963 – 1981

Years	Wheat	Animals and other edible products	Ores and concentrates	Crude petroleum and natural gas	Other crude materials	Lumber	Woodpulp	Newsprint
D	3609					3629	3631	3632
				(Millions of dollars)				
1963	787	675	703	310	414	452	405	760
1964	1,024	817	803	360	453	477	461	835
1965	840	869	863	384	517	490	493	870
1966	1,061	906	934	430	583	474	520	968
1967	742	902	1,016	522	571	505	543	955
1968	684	929	1,262	600	605	656	628	990
1969	473	992	1,138	702	623	697	754	1,126
1970	687	1,181	1,522	855	707	664	785	1,111
1971	833	1,279	1,415	1,038	811	830	798	1,085
1972	927	1,428	1,397	1,315	848	1,174	830	1,158
1973	1,221	1,937	2,000	1,833	1,192	1,599	1,082	1,288
1974	2,065	1,806	2,376	3,914	1,504	1,290	1,889	1,726
1975	2,023	2,124	2,241	4,144	1,581	973	1,835	1,746
1976	1,732	2,563	2,512	3,903	1,872	1,649	2,186	2,003
1977	1,881	2,727	2,730	3,779	2,341	2,387	2,158	2,382
1978	1,913	3,389	2,404	3,763	2,664	3,229	2,181	2,886
1979	2,180	4,134	3,895	5,294	3,350	3,901	3,083	3,222
1980	3,796	4,419	4,209	6,883	3,664	3,352	3,871	3,682
1981	3,723	5,712	4,082	6,875	4,251	2,990	3,820	4,326

	Fabricated metals	Other fabricated materials	Motor vehicles and parts	Other machinery and equipment	Consumer goods and miscellaneous	Re-exports	Total
			3653				3471
				(Millions of dollars)			
1963	918	572	88	589	127	182	6,980
1964	1,049	680	177	811	147	209	8,303
1965	1,138	738	356	811	157	242	8,767
1966	1,227	823	1,012	956	195	255	10,043
1967	1,368	858	1,739	1,167	234	298	11,420
1968	1,605	975	2,672	1,340	303	373	13,624
1969	1,499	1,087	3,514	1,595	244	428	14,871
1970	1,996	1,311	3,499	1,666	418	419	16,820
1971	1,678	1,406	4,171	1,660	393	422	17,818
1972	1,716	1,700	4,718	2,014	446	479	20,150
1973	2,084	2,171	5,415	2,455	562	583	25,421
1974	2,760	3,030	5,717	2,868	732	767	32,442
1975	2,475	2,855	6,432	3,399	720	780	33,328
1976	3,015	3,375	8,225	3,670	946	825	38,475
1977	3,543	4,458	10,424	3,975	901	870	44,554
1978	4,684	6,175	12,540	5,230	1,201	924	53,183
1979	5,251	8,919	11,900	7,295	1,895	1,324	65,641
1980	8,109	10,321	10,818	8,488	2,648	1,705	75,964
1981	7,734	11,696	13,072	9,962	2,985	2,470	83,698

Source: Statistics Canada, *Summary of External Trade*, cat. 65-001.

Reference Table 74
Merchandise Trade Detail: Imports
1963 – 1981

Years	Animals and edible products	Crude petroleum	Other crude materials	Fabricated materials	Motor vehicles and parts	Other machinery and equipment	Other end products and miscellaneous	Total
D		3745		3746	3774			3535
				(Millions of dollars)				
1963	780	335	563	1,571	669	1,882	759	6,558
1964	795	321	640	1,813	818	2,190	911	7,488
1965	770	312	694	2,114	1,125	2,573	1,045	8,633
1966	805	299	724	2,233	1,581	3,048	1,382	10,072
1967	884	356	707	2,310	2,168	3,341	1,106	10,873
1968	918	373	754	2,435	3,001	3,477	1,401	12,358
1969	1,063	393	692	2,905	3,546	4,031	1,500	14,130
1970	1,116	415	757	2,886	3,252	3,991	1,536	13,952
1971	1,157	541	781	3,140	4,110	4,328	1,650	15,617
1972	1,401	681	859	3,579	4,934	5,184	2,032	18,669
1973	1,981	943	1,075	4,282	6,081	6,477	2,487	23,325
1974	2,516	2,646	1,426	6,482	7,124	8,414	3,113	31,722
1975	2,682	3,302	1,784	5,944	8,236	9,296	3,472	34,716
1976	2,871	3,280	1,811	6,211	9,440	9,641	4,240	37,494
1977	3,307	3,215	2,105	6,993	11,576	10,606	4,561	42,363
1978	3,782	3,457	2,425	8,748	13,386	13,115	5,195	50,108
1979	4,236	4,497	3,473	12,024	15,161	17,156	6,324	62,871
1980	4,803	6,919	4,416	12,701	13,479	19,725	7,085	69,128
1981	5,184	7,840	4,305	14,554	15,961	22,810	8,223	78,876

Source: Statistics Canada, *Summary of External Trade.*

Reference Table 75
International Payments: Capital Movements
1950 – 1981

Years	Direct investment in Canada	Direct investment abroad	Canadian securities				Foreign securities (Net)	Loans and capital subscriptions by Government of Canada		Export credits at risk of govt.	Other long-term capital transactions
			New issues	Retirements	Trade in outstanding bonds and debentures	Trade in outstanding common and preference stocks		Advances	Repayments		
D	50560	50564			65000	50576			50629	50632	50650
					(Millions of dollars)						
1950	225	35	210	−284	—	329	76	−50	74	—	−5
1951	320	−30	411	−184	—	38	15	—	68	—	28
1952	360	−85	323	−89	−168	73	−11	—	56	—	−4
1953	450	−70	335	−146	−52	21	−1	—	87	—	11
1954	425	−90	333	−205	−66	129	−24	—	72	—	25
1955	445	−85	166	−185	−165	137	−5	—	69	—	37
1956	650	−105	667	−141	11	187	−3	−4	69	—	159
1957	545	−80	800	−134	−45	142	1	−1	50	—	42
1958	430	−40	688	−158	—	88	1	−34	64	—	114
1959	570	−85	709	−258	92	110	−34	−1	34	—	38
1960	670	−50	448	−266	3	51	−19	−11	32	—	60
1961	560	−80	548	−301	61	39	−35	−8	38	—	103
1962	505	−105	729	−319	64	−115	−65	−22	129	−63	−64
1963	280	−135	984	−404	39	−170	22	−18	25	−72	75
1964	270	−95	1,100	−382	77	−98	−52	−10	10	−164	46
1965	535	−125	1,240	−390	55	−274	−85	−14	10	−187	54
1966	790	−5	1,465	−499	−104	−136	−401	−35	24	−41	144
1967	691	−125	1,307	−357	−57	12	−432	−38	34	107	229
1968	590	−225	1,917	−431	−70	114	−467	−78	5	29	197
1969	720	−370	2,089	−440	2	53	102	−89	22	−12	228
1970	905	−315	1,230	−552	−40	−145	70	−145	36	−129	61
1971	925	−230	1,191	−845	−96	−142	196	−190	36	−230	25
1972	620	−400	1,722	−603	292	−59	244	−249	37	−246	230
1973	830	−770	1,323	−738	29	−24	69	−269	43	−189	323
1974	845	−810	2,423	−626	41	−112	46	−350	39	−573	118
1975	725	−915	5,038	−851	302	5	−17	−377	38	−355	342
1976	−300	−590	9,027	−936	559	−79	79	−436	18	−210	875
1977	475	−740	5,889	−930	243	−91	221	−539	36	−523	176
1978	85	−2,150	6,529	−1,314	35	−396	25	−509	262	−881	1,395
1979	675	−2,350	5,245	−2,175	476	360	−582	−552	33	−877	1,846
1980	585	−2,780	5,443	−2,080	1,071	987	−114	−517	36	−1,186	−140
1981	−5,300	−4,900	13,559	−2,782	1,267	−1,161	−95	−628	41	−895	2,234

Reference Table 75 (continued)
International Payments: Capital Movements
1950 – 1981

Years	Change in certain Canadian assets of non-residents							Net errors and omissions	Net capital movements excluding monetary items shown in the following columns[2]	Special Drawing Rights allocations	Net official monetary assets	
	Canadian dollar deposits	Government of Canada demand liabilities	Treasury bills	Short-term paper[1]	Other finance company obligations	Residential holdings of foreign currencies	All other transactions				Official international reserves	Official international liabilities
D	50652	56654	50656		50676		50686	50693		50710	50713	50714
	(Millions of dollars)											
1950	235	−4	−3	—	—	11	91	101	1,041	—	722	—
1951	−190	−8	2	—	—	−14	50	62	568	—	56	—
1952	−66	−5	1	—	35	−165	−16	−389	−150	—	37	—
1953	−22	−11	−2	—	−2	−80	44	−166	410	—	−38	—
1954	27	−15	8	—	10	−75	14	−70	548	—	124	—
1955	60	−9	29	—	23	91	5	30	643	—	−44	—
1956	−30	—	3	—	64	−216	85	24	1,420	—	48	—
1957	−15	—	−18	—	4	−274	87	242	1,346	—	−105	—
1958	39	45	21	—	24	−58	−89	111	1,246	—	109	—
1959	10	−8	14	—	68	−119	15	317	1,476	—	−11	—
1960	79	−12	56	—	59	−60	42	101	1,194	—	−39	—
1961	33	−2	−58	—	95	142	−77	157	1,220	—	296	−4
1962	−10	−4	4	—	119	92	240	−145	984	—	307	−153
1963	43	1	−27	70	35	−259	134	32	666	—	56	89
1964	28	—	−16	185	52	−329	5	113	788	—	297	67
1965	31	2	12	−152	209	415	177	−239	1,289	—	158	—
1966	11	5	−15	3	154	−520	119	−182	803	—	−360	1
1967	24	−4	4	−51	35	−362	−41	−501	519	—	17	3
1968	72	21	48	−132	24	−449	−23	−784	446	—	350	−1
1969	52	−34	20	218	116	−1,434	−74	−219	982	—	65	—
1970	26	−7	−79	310	−109	−154	−183	−387	424	133	1,662	1
1971	95	50	−3	77	−25	854	−18	−1,348	346	119	896	—
1972	139	27	22	−181	−30	448	47	−1,455	605	117	336	—
1973	143	77	−24	140	12	−519	−382	−650	−575	—	−467	—
1974	597	45	77	80	158	236	117	−867	1,484	—	24	—
1975	561	−4	37	350	−89	272	493	−1,203	4,352	—	−405	—
1976	156	7	440	533	47	−1,289	175	−3,712	4,364	—	522	—
1977	230	172	242	220	−55	729	−870	−2,005	2,880	—	−1,421	—
1978	37	55	−53	86	−40	2,104	−952	−2,682	1,636	—	−185	−3,114
1979	524	217	−178	675	0	4,114	1,400	−2,268	6,583	219	−858	2,766
1980	−56	171	542	523	70	889	−1,026	−2,011	407	217	−542	−738
1981	1,401	164	−61	1,217	471	11,757	−59	−8,438	7,792	210	382	1,044

(1) Included in "all other transactions" for 1950 and 1951; included in "other finance company obligations" from 1952 to 1962.
(2) Includes net errors and omissions.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 76
Net Proceeds from New Issues of Canadian Securities to Non-Residents
1947 – 1981

Years	Government of Canada bonds (including guaranteed)			Provincial government bonds (including guaranteed)			Municipal government bonds			Total government bonds		
	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds
D	65006	65011		65007	65012		65008	65013				
						(Millions of dollars)						
1947	n.a.	39	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	39	n.a.
1948	150	36	144	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	150	36	114
1949	99	96	3	n.a.	n.a.	n.a.	6	n.a.	n.a.	105	96	9
1950	62	159	–97	96	n.a.	n.a.	20	n.a.	n.a.	178	159	19
1951	7	94	–87	262	43	219	72	12	60	341	149	192
1952	1	18	–17	107	38	69	55	17	38	163	73	90
1953	6	84	–78	143	28	115	76	15	61	225	127	98
1954	8	69	–61	126	63	63	46	28	18	180	160	20
1955	5	100	–95	3	19	–16	44	18	26	52	137	–85
1956	9	83	–74	224	15	209	112	18	94	345	116	229
1957	16	29	–13	136	25	111	123	24	99	275	78	197
1958	76	25	51	168	45	123	148	30	118	392	100	292
1959	56	101	–45	334	41	293	157	33	124	547	175	372
1960	30	58	–28	103	57	46	135	38	97	268	153	115
1961	37	48	–11	66	24	42	47	38	9	150	110	40
1962	156	86	70	148	22	126	74	41	33	378	149	229
1963	173	76	97	343	70	273	62	77	–15	578	223	355
1964	43	88	–45	439	66	373	182	58	129	664	207	457
1965	28	85	–57	297	31	266	84	53	31	409	169	240
1966	32	203	–171	448	64	384	177	96	81	657	364	293
1967	20	95	–75	762	61	701	173	52	121	955	208	747
1968	288	57	231	852	76	776	124	60	64	1,264	193	1,071
1969	40	83	–43	1,063	91	972	177	88	89	1,280	262	1,018
1970	26	157	–131	528	112	416	65	92	–27	619	361	258
1971	28	31	–3	725	317	408	26	99	–73	779	447	332
1972	30	44	–14	1,140	220	920	169	98	71	1,339	362	977
1973	18	110	–92	857	234	623	109	117	–8	989	461	523
1974	14	55	–41	1,713	211	1,502	234	96	138	1,961	362	1,599
1975	46	92	–46	3,334	342	2,992	541	82	459	3,921	516	3,405
1976	368	147	221	4,939	308	4,631	779	121	658	6,086	576	5,510
1977	719	146	573	3,083	312	2,771	368	99	269	4,170	557	3,613
1978	2,897	210	2,687	2,160	586	1,574	120	193	–73	5,177	989	4,188
1979	1,737	204	1,533	2,023	942	1,081	177	439	–262	3,937	1,585	2,352
1980	1,232	271	961	1,443	822	621	252	352	–100	2,927	1,445	1,482
1981	1,842	448	1,394	6,318	992	5,326	423	186	237	8,583	1,626	6,957

Reference Table 76 (continued)
Net Proceeds from New Issues of Canadian Securities to Non-Residents
1947 – 1981

Years	Bonds and debentures of corporations			Total bonds and debentures			Common and preference stocks			Total securities		
	New issues	Retirements	Net proceeds	New issues	Retirements	Net proceeds	New issues	Retirements	Net proceeds	New issues	Retirements	Net proceeds
D	65009	65014	65005	65010	50586	50587						
						(Millions of dollars)						
1947	n.a.	n.a.	n.a.	95	n.a.	n.a.	n.a.	n.a.	n.a.	95	364	−269
1948	n.a.	n.a.	n.a.	150	n.a.	n.a.	n.a.	n.a.	n.a.	150	114	36
1949	n.a.	n.a.	n.a.	105	n.a.	n.a.	n.a.	n.a.	n.a.	205	147	58
1950	28	n.a.	n.a.	206	n.a.	n.a.	n.a.	n.a.	n.a.	206	284	−78
1951	28	n.a.	n.a.	369	n.a.	n.a.	42	7	35	411	184	227
1952	136	15	121	299	88	211	24	1	23	323	89	234
1953	64	13	51	289	140	149	46	6	40	335	146	189
1954	133	35	98	313	195	118	20	10	10	333	205	128
1955	51	41	10	103	178	−75	63	7	56	166	185	−19
1956	252	20	232	597	136	461	70	5	65	667	141	526
1957	464	31	433	739	109	630	61	25	36	800	134	666
1958	253	42	211	645	142	503	43	16	27	688	158	530
1959	114	66	48	661	241	420	48	17	31	709	258	451
1960	154	104	50	422	257	165	26	9	17	448	266	182
1961	354	136	218	504	246	258	44	55	−11	548	301	247
1962	331	140	191	709	289	420	20	30	−10	729	319	420
1963	392	101	291	970	324	646	14	80	−66	984	404	580
1964	414	117	297	1,078	324	754	22	58	−36	1,100	382	718
1965	807	214	593	1,216	383	833	24	7	17	1,240	390	850
1966	751	131	620	1,408	495	913	57	4	53	1,465	499	966
1967	315	148	167	1,270	356	914	37	1	36	1,307	357	950
1968	586	233	353	1,850	426	1,424	67	5	62	1,917	431	1,486
1969	597	176	421	1,877	438	1,439	212	2	210	2,089	440	1,649
1970	541	187	354	1,160	548	612	70	4	66	1,230	552	678
1971	391	393	−2	1,170	840	330	21	5	16	1,191	845	346
1972	345	239	106	1,684	601	1,083	38	2	36	1,722	603	1,119
1973	300	275	25	1,284	736	548	39	2	37	1,323	738	585
1974	448	223	225	2,409	585	1,824	14	41	−27	2,423	626	1,797
1975	1,031	331	700	4,952	847	4,105	86	4	82	5,038	851	4,187
1976	2,860	303	2,557	8,946	879	8,067	81	57	24	9,027	936	8,091
1977	1,706	346	1,360	5,876	903	4,973	13	27	−14	5,889	930	4,959
1978	1,227	325	902	6,404	1,314	5,090	125	0	125	6,529	1,314	5,215
1979	1,143	590	553	5,080	2,175	2,905	165	0	165	5,245	2,175	3,070
1980	2,045	627	1,418	4,972	2,072	2,900	471	8	463	5,443	2,080	3,363
1981	4,647	1,147	3,500	13,230	2,773	10,457	329	9	320	13,559	2,782	10,777

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 77
Canadian Chartered Banks' Head Office and Branches in Canada
Net Change in Foreign Currency Positions[1]
1964 – 1981

Years	With U.S. residents:			Other non-residents:			Total non-residents:			With Canadian residents:			Changes in banks' own positions
	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	Assets	Liabilities	Net	
	(Millions of dollars)												
1964	40	327	−287	691	101	590	731	428	303	197	532	−335	−32
1965	−208	−727	519	−440	505	−945	−648	−222	−426	276	−107	383	−43
1966	208	−309	517	−2	48	−50	206	−261	467	84	401	−317	150
1967	273	76	197	375	188	187	648	264	384	−103	363	−466	−82
1968	168	−296	464	725	701	24	893	405	488	−49	189	−238	250
1969	815	338	477	1,395	1,366	29	2,210	1,704	506	215	1,237	−1,022	−516
1970[2]	−33	22	−55	1,389	1,212	177	1,356	1,234	122	216	101	115	237
1971	−933	592	−1,525	318	197	121	−615	789	−1,404	−43	−1,470	1,427	23
1972	−87	175	−262	1,288	1,663	−375	1,201	1,838	−637	−100	−89	−11	−648
1973	528	265	263	3,211	3,131	80	3,739	3,396	343	175	1,406	−1,231	−888
1974	−47	1,026	−1,073	1,492	−935	2,427	1,445	91	1,354	1,116	1,997	−881	473
1975	−652	833	−1,485	558	−438	996	−94	395	−489	569	−513	1,082	593
1976	884	275	609	2,407	2,075	332	3,291	2,350	941	498	1,789	−1,291	−350
1977	−31	851	−882	838	1,340	−502	807	2,191	−1,384	2,217	843	1,374	−10
1978	2,238	4,324	−2,086	1,881	2,566	−685	4,119	6,890	−2,771	5,442	3,425	2,017	−754
1979	672	2,526	−1,854	3,739	5,992	−2,253	4,411	8,518	−4,107	1,178	−572	1,750	−2,357
1980	5,689	4,134	1,555	6,251	9,212	−2,961	11,940	13,346	−1,406	2,741	1,079	1,662	256
1981	−475	8,634	−9,109	2,983	11,772	−8,789	2,508	20,406	−17,898	11,312	−4,291	15,603	−2,295

[1] Adjusted for variations in exchange rates.
[2] Commencing with September 30, 1970, changes in assets and liabilities with residents of Puerto Rico and the U.S. Virgin Islands are included with residents of the United States instead of with other non-residents.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 78
Canada's Reserve Position with the International Monetary Fund[1]
1946 – 1981

Years	IMF transactions with Canada					IMF transactions with other countries in Canadian dollars	Reserve position at end of period
	Increases in subscription[2]	Drawings(-) and repayments	Sales of gold and SDRs	Other	Canadian loans to IMF		
	(Millions of SDRs[3])						
1946-1960	137.5	—	—	—	—	14.9	152.5
1961	—	—	−25.0	—	—	84.6	212.1
1962	—	−300.0	—	—	—	−50.3	−138.2
1963	—	79.7	—	—	—	—	−58.5
1964	—	166.0	−9.0	—	—	99.0	197.5
1965	—	—	−27.5	—	—	183.4	353.4
1966	47.5	—	—	—	—	47.6	448.5
1967	—	—	—	—	—	−15.1	433.4
1968	—	−361.2	—	2.8	—	131.2	206.2
1969	—	—	−8.6	0.2	—	280.3	478.1
1970	90.0	—	−45.2	1.0	—	145.7	669.6
1971	—	—	−66.3	—	—	−270.7	332.6
1972	—	—	—	—	—	−16.6	315.9
1973	—	—	—	—	—	−35.5	280.4
1974	—	—	—	—	140.7	11.5	432.6
1975	—	—	—	—	106.2	14.7	553.5
1976	—	—	—	—	—	259.4	812.9
1977	—	—	−16.4	−22.1	−41.5	−31.5	701.4
1978	—	—	−8.2	14.8	−76.5	−204.1	427.4
1979	—	—	−8.2	18.5	−103.2	−38.0	296.5
1980	169.6	—	—	0.8	−13.0	—	454.0
1981	—	—	—	—	—	−108.4	345.6

[1] Reserve position equals the Canadian subscription plus outstanding loans to the IMF minus IMF holdings of Canadian dollars. This is the amount of foreign exchange which Canada is entitled to draw from the Fund on demand for balance of payments purposes.

[2] Portion paid in other than Canadian dollars.

[3] Prior to May 8, 1972 one SDR equalled one U.S. dollar. From May 8, 1972, to October 18, 1973 one SDR was equivalent to U.S. $1.08571; from October 18, 1973 to July 1, 1974 one SDR was equivalent to U.S. $1.20635; since the latter date the value of the SDR in terms of U.S. dollars has been determined daily on the basis of a weighted average of the market values of major currencies. Until December 1980, 16 currencies were used; on January 1, 1981, the number of currencies was reduced to five.

Source: Bank of Canada, *Review*, monthly.

Reference Table 79
Canada's Official International Reserves
1961 – 1981

End of period	Foreign currencies[1]		Gold	Special Drawing Rights	Reserve position in IMF	Total	Total
	U.S. dollars	Other					
B	3801	3802	3803	3804	3805	3800	
			(Millions of U.S. dollars)				(Millions of SDRs)
1961	1,123.0	10.7	946.2	—	212.1	2,292.0	2,292.0
1962	1,842.8	9.2	708.5	—	—	2,560.5	2,560.5
1963	1,786.6	9.5	817.2	—	—	2,613.3	2,613.3
1964	1,654.5	11.8	1,025.7	—	197.5	2,889.5	2,889.5
1965	1,519.9	12.8	1,150.8	—	353.4	3,036.9	3,036.9
1966	1,195.4	12.4	1,045.6	—	448.5	2,701.9	2,701.9
1967	1,255.2	13.4	1,014.9	—	433.4	2,716.9	2,716.9
1968	1,964.9	11.6	863.1	—	206.2	3,045.8	3,045.8
1969	1,743.6	12.3	872.3	—	478.1	3,106.3	3,106.3
1970	3,022.1	14.5	790.7	182.1	669.6	4,679.0	4,679.0
1971	4,060.0	13.6	791.8	371.9	332.6	5,570.4	5,570.4
1972	4,355.0	12.6	834.1	505.2	342.9	6,049.9	5,572.3
1973	3,927.2	12.2	926.9	563.7	338.2	5,768.2	4,781.5
1974	3,767.7	12.9	940.7	574.3	529.7	5,825.3	4,757.9
1975	3,207.1	15.7	899.4	555.4	648.0	5,325.6	4,549.3
1976	3,446.3	15.8	879.0	557.8	944.5	5,843.4	5,029.3
1977	2,298.7	15.8	935.6	505.3	852.1	4,607.5	3,793.1
1978	2,459.5	18.4	1,009.1	522.4	556.8	4,566.2	3,504.9
1979	1,863.9	23.9	1,022.6	585.9	390.6	3,886.9	2,950.6
1980	2,037.6	23.1	936.6	453.2	579.0	4,029.6	3,159.5
1981	2,865.3	95.8	833.7	174.0	402.4	4,271.1	3,755.4

[1] Convertible foreign currency of the Exchange Fund Account, the Receiver General for Canada and the Bank of Canada.

Source: Bank of Canada and Department of Finance.

Reference Table 80
Price of Foreign Currencies in Canada
1954 – 1981

Years	Belgian franc	French franc	German mark	Italian lira	Japanese yen	Dutch guilder	Swedish krona	Swiss franc	Pound sterling	U.S. dollar
B	3402	3404	3405	3406	3407	3408	3410	3411	3412	3400
					(Average of daily rates)					
1954	0.0195	0.278	0.232	0.00156	0.00270	0.257	0.188	0.227	2.734	0.973
1955	0.0196	0.282	0.234	0.00158	0.00274	0.259	0.190	0.230	2.754	0.986
1956	0.0197	0.281	0.234	0.00158	0.00273	0.257	0.190	0.230	2.752	0.984
1957	0.0191	0.256	0.228	0.00154	0.00266	0.251	0.185	0.224	2.679	0.959
1958	0.0195	0.231	0.232	0.00156	0.00270	0.257	0.188	0.226	2.728	0.971
1959	0.0192	0.196	0.230	0.00155	0.00267	0.254	0.185	0.222	2.694	0.959
1960	0.0195	0.198	0.233	0.00156	0.00270	0.257	0.188	0.225	2.723	0.970
1961	0.0203	0.207	0.252	0.00163	0.00281	0.279	0.196	0.235	2.839	1.013
1962	0.0215	0.218	0.267	0.00172	0.00297	0.297	0.207	0.247	3.001	1.069
1963	0.0216	0.220	0.271	0.00174	0.00300	0.300	0.208	0.250	3.020	1.079
1964	0.0217	0.220	0.271	0.00173	0.00300	0.299	0.209	0.250	3.012	1.079
1965	0.0217	0.220	0.270	0.00173	0.00300	0.299	0.209	0.249	3.014	1.078
1966	0.0216	0.219	0.269	0.00173	0.00298	0.298	0.209	0.249	3.009	1.077
1967	0.0217	0.219	0.271	0.00173	0.00298	0.299	0.209	0.249	2.962	1.079
1968	0.0216	0.218	0.270	0.00173	0.00299	0.298	0.209	0.250	2.579	1.077
1969	0.0215	0.208	0.275	0.00172	0.00301	0.297	0.208	0.250	2.574	1.077
1970	0.0210	0.189	0.286	0.00167	0.00292	0.289	0.201	0.242	2.502	1.044
1971	0.0208	0.183	0.291	0.00163	0.00291	0.289	0.198	0.246	2.469	1.010
1972	0.0225	0.196	0.311	0.00170	0.00327	0.309	0.208	0.259	2.479	0.991
1973	0.0258	0.226	0.378	0.00172	0.00370	0.360	0.230	0.317	2.452	1.000
1974	0.0252	0.204	0.379	0.00150	0.00336	0.365	0.221	0.330	2.288	0.978
1975	0.0277	0.238	0.414	0.00156	0.00343	0.403	0.246	0.393	2.258	1.017
1976	0.0256	0.207	0.393	0.00119	0.00333	0.373	0.227	0.395	1.781	0.986
1977	0.0297	0.217	0.459	0.00121	0.00398	0.434	0.238	0.445	1.857	1.063
1978	0.0363	0.254	0.569	0.00135	0.00548	0.529	0.253	0.644	2.191	1.141
1979	0.0399	0.276	0.639	0.00141	0.00537	0.590	0.274	0.705	2.486	1.171
1980	0.0401	0.277	0.644	0.00137	0.00519	0.589	0.277	0.698	2.721	1.169
1981	0.0324	0.222	0.532	0.00106	0.00545	0.482	0.238	0.613	2.430	1.199

Source: Bank of Canada.

Reference Table 81
Indexes of Exchange Rates[1]
1970 – 1981
(1971 = 100)

Years and months	Price of Canadian dollar in			Price of U.S. dollar in		
	United States	Other G – 10 countries	Total G – 10 countries	Canada	Other G – 10 countries	Total G – 10 countries
	(Average of daily rates)					
1970	96.8	99.3	97.3	103.4	103.0	103.1
1971	100.0	100.0	100.0	100.0	100.0	100.0
1972	101.9	94.6	100.4	98.1	91.3	94.0
1973	101.0	87.4	97.9	99.0	82.4	88.7
1974	103.3	93.1	101.0	96.9	85.3	89.8
1975	99.3	89.8	97.2	100.7	83.9	90.3
1976	102.4	102.6	102.5	97.6	89.5	92.7
1977	95.0	92.8	94.5	105.3	85.4	92.9
1978	88.6	75.2	85.6	113.0	73.0	87.0
1979	86.2	69.5	82.4	116.0	70.3	86.0
1980	86.4	67.9	82.1	115.8	70.1	85.9
1981	84.2	75.7	82.3	118.7	80.1	93.9
1980 J	86.8	68.5	82.6	115.3	69.7	85.4
F	87.4	69.5	83.3	114.5	70.7	85.9
M	86.1	71.2	82.7	116.2	73.7	88.6
A	85.2	70.8	81.9	117.4	74.2	89.3
M	86.1	67.7	81.8	116.2	69.9	85.9
J	87.7	67.5	83.0	114.0	68.3	84.0
J	87.7	67.1	82.9	114.1	68.0	83.8
A	87.1	67.5	82.6	114.8	69.2	84.9
S	86.7	66.1	81.9	115.3	68.1	84.2
O	86.4	65.9	81.6	115.8	68.3	84.5
N	85.1	66.5	80.8	117.5	70.3	86.5
D	84.4	66.7	80.3	118.5	71.1	87.4
1981 J	84.8	66.3	80.5	117.9	70.7	86.9
F	84.2	69.0	80.8	118.7	74.1	89.7
M	84.8	70.3	81.5	118.0	74.6	89.8
A	84.8	72.3	82.0	117.9	76.7	91.3
M	84.1	74.9	82.1	118.9	80.2	94.1
J	83.9	77.5	82.5	119.2	82.8	95.9
J	83.4	80.0	82.6	120.0	85.5	98.1
A	82.6	81.0	82.2	121.1	87.2	99.6
S	84.1	80.5	83.3	118.9	84.2	96.8
O	84.0	79.4	83.0	119.1	83.1	96.1
N	85.0	78.4	83.6	117.6	81.2	94.3
D	85.2	78.5	83.8	117.4	81.3	94.3

[1] Geometrically weighted by 1971 bilateral shares of trade. The Group of Ten countries comprise Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, the United Kingdom, and the United States, plus Switzerland.

Reference Table 82
Money Market and Eurodollar Rates
1977 – 1981

Months	Canada	United States	Japan	France	West Germany	United Kingdom	Nether-lands	Belgium	Eurodollar: London
					(Per cent)				
1977 J	8.04	4.60	7.00	9.94	4.57	12.73	6.23	6.14	5.15
F	7.65	4.66	7.00	9.83	4.36	11.02	6.09	6.69	5.08
M	7.54	4.61	6.69	9.73	4.53	9.84	6.18	5.46	5.11
A	7.58	4.54	5.87	9.22	4.52	8.31	4.01	6.18	5.13
M	7.05	4.94	5.18	9.07	4.10	7.40	1.23	5.93	5.77
J	7.07	5.00	5.48	8.92	4.13	7.45	0.75	5.87	5.78
J	7.14	5.15	5.66	8.67	4.26	7.43	0.88	4.49	5.77
A	7.14	5.50	5.75	8.52	4.03	6.54	2.69	4.91	6.30
S	7.10	5.77	4.98	8.30	4.01	5.69	3.02	4.88	6.56
O	7.24	6.19	4.92	8.36	3.98	4.52	4.29	4.75	7.13
N	7.26	6.16	4.62	8.97	3.94	4.89	4.82	3.42	7.08
D	7.17	6.06	5.01	9.30	3.24	6.37	5.34	7.16	7.12
1978 J	7.13	6.45	4.79	8.88	3.37	5.81	5.11	7.56	7.31
F	7.30	6.46	4.80	10.18	3.34	5.96	5.45	4.12	7.27
M	7.73	6.32	4.62	9.96	3.55	5.94	5.33	4.64	7.26
A	8.19	6.31	4.14	8.48	3.53	6.77	4.56	4.04	7.38
M	8.13	6.43	4.06	8.08	3.54	8.40	4.65	3.63	7.83
J	8.26	6.71	4.11	7.76	3.55	9.15	3.99	4.06	8.31
J	8.71	7.07	4.44	7.43	3.40	9.22	4.10	3.85	8.52
A	8.80	7.04	4.39	7.25	3.23	8.90	3.47	5.06	8.50
S	9.17	7.84	4.25	7.20	3.51	9.00	5.59	4.93	9.11
O	9.85	8.13	4.18	6.99	3.07	9.92	13.56	7.41	10.15
N	10.36	8.79	3.93	6.89	2.67	11.51	8.76	6.96	11.52
D	10.46	9.12	4.57	6.67	3.56	11.57	10.29	6.45	11.58
1979 J	10.78	9.35	4.29	6.64	2.99	11.86	8.64	6.33	11.18
F	10.82	9.27	4.35	6.68	3.81	12.62	7.73	6.40	10.79
M	10.92	9.46	4.64	6.77	4.32	11.35	7.14	5.37	10.64
A	10.80	9.49	4.89	6.82	5.24	11.32	7.09	5.25	10.60
M	10.84	9.59	5.12	7.20	5.16	11.35	7.10	4.81	10.72
J	10.78	9.05	5.34	8.01	5.60	12.57	7.57	7.64	10.53
J	11.25	9.26	5.80	9.34	5.73	13.32	8.63	9.59	10.87
A	11.45	9.45	6.69	10.44	6.36	13.31	8.73	9.34	11.50
S	11.64	10.18	6.81	10.99	6.50	13.38	9.39	8.91	12.61
O	13.61	11.47	6.74	11.47	7.87	13.38	9.28	11.32	14.59
N	13.62	11.87	7.58	11.95	7.86	15.33	11.18	10.06	15.00
D	13.66	12.07	8.05	12.17	9.02	15.90	15.90	10.58	14.55
1980 J	13.50	12.04	8.06	11.99	8.25	15.79	11.18	11.74	14.41
F	13.55	12.81	8.74	12.17	8.06	16.14	10.99	9.66	16.97
M	15.24	15.53	10.73	12.96	8.61	16.18	9.50	12.59	19.94
A	15.15	14.00	12.21	12.40	9.05	16.17	10.47	14.83	13.94
M	11.58	9.15	12.56	12.61	9.80	16.09	11.14	13.47	9.75
J	10.38	7.00	12.64	12.43	10.04	15.80	10.97	11.96	9.75
J	10.06	8.13	12.70	12.04	9.80	14.55	10.31	11.84	9.81
A	10.49	9.26	12.09	11.32	8.92	14.86	10.09	9.80	12.50
S	10.95	10.32	11.40	11.37	9.27	14.40	9.86	9.51	13.94
O	11.91	11.58	11.04	11.22	9.01	14.29	9.34	9.50	15.25
N	13.70	13.89	9.50	10.74	8.76	13.95	9.05	10.04	18.31
D	17.01	15.66	9.49	10.88	9.16	13.07	8.60	9.73	17.75
1981 J	16.86	14.72	8.91	10.74	9.09	12.85	8.97	10.20	17.44
F	16.83	14.91	8.60	10.91	10.38	12.09	9.08	8.93	16.69
M	16.44	13.48	8.04	11.72	11.97	11.53	9.90	10.25	14.87
A	17.35	13.64	7.19	12.23	11.31	11.33	9.61	16.44	16.97
M	18.43	16.30	7.06	16.03	11.83	11.35	10.68	12.51	17.75
J	18.83	14.56	7.12	19.93	11.93	12.09	11.57	9.40	17.69
J	20.29	14.70	7.26	18.49	11.98	13.28	12.33	10.56	18.75
A	20.82	15.61	7.24	17.50	11.97	13.42	12.67	11.93	18.69
S	19.35	14.95	7.26	17.78	12.00	13.96	11.91	11.26	17.87
O	17.96	13.87	7.05	17.09	11.30	15.55	12.76	12.72	15.66
N	15.07	11.27	6.80	15.72	10.81	14.41	11.89	10.94	12.00
D	14.41	10.93	6.70	15.46	10.38	14.51	10.77	12.45	13.75

Source: International Monetary Fund, *International Financial Statistics*.

Reference Table 83
Details of New Issues and Retirements of Government of Canada Marketable Bonds from January 1, 1981 to December 31, 1981

Date	Retirements	Amount	Sub-total	Currency of Payment	New Bonds	Amount Delivered	Sub-total	Currency of Payment	Yield to Maturity (%)	Net Change in Amount Outstanding
					(Millions of dollars, par value)					
February 1	4% February 1, 1981	300		C	12¾% December 15, 1983	275		C	12.95	
	8½% February 1, 1981	475	775	C	12½% February 1, 1986[1]	725		C	12.64	
					13% May 1, 2001	500	1,500	C	13.24	8,724
March 1					13¾% August 1, 1984[2]	450		C	13.75	
					13¾% March 15, 2000	250	700	C	13.86	8,974
March 31					13¼% February 1, 1985[3]	600		C	13.32	
					13¾% March 15, 2000	250	850	C	13.82	9,824
April 1	8¼% April 1, 1981	100		C						
	Various[4]	81	81	C						9,643
April 9	Various[4]	41	41	C						9,602
April 15	Various[5]	2		U.S.						9,600
	Various[4]	15	15	C						9,585
May 1					14½% May 1, 1986[6]	500	500	C	14.79	10,085
June 1	8¾% June 1, 1981	1,000	1,000	C	16¼% April 1, 1984	400		C	16.49	
					15¼% June 1, 1986[7]	550		C	15.77	
					15¾% February 1, 2001	250		C	16.08	10,285
					16% October 15, 1983	75		C	15.85	
					14¾% July 1, 1986[8]	450		C	14.75	
					15% July 1, 2000	175	700	C	15.08	10,985
July 31					16¼% April 1, 1984	175		C	16.50	
					15¼% June 1, 1986[9]	350		C	15.76	
					15¾% February 1, 2001	175	700	C	16.04	11,685
August 1	7¼% August 1, 1981	1	1	C						11,684
October 15					18¾% October 15, 1983	100		C	19.00	
					18% October 1, 1986[10]	400	500	C	18.23	12,184
	5% October 15, 1987[5]	1	1	U.S.						
November 3					16¼% November 3, 1986	359	359	C	16.295	12,543
December 15	8½% December 15, 1981	300	300	C						12,243

(1) Extendible at the option of the holder to February 1, 1991.
(2) Extendible at the option of the holder to August 1, 1989.
(3) Extendible at the option of the holder to February 1, 1990.
(4) Partial redemption for purchase funds.
(5) Partial redemption for sinking funds.
(6) Extendible at the option of the holder to May 1, 1991.
(7) Extendible at the option of the holder to June 1, 1993.
(8) Extendible at the option of the holder to July 1, 1993.
(9) Extendible at the option of the holder to June 1, 1993.
(10) Extendible at the option of the holder to October 1, 1991.

Source: Bank of Canada and Department of Finance.

Reference Table 84
Changes in Marketable Securities and Canada Savings Bonds Outstanding
1974 – 1981

	1974	1975	1976	1977	1978	1979	1980	1981
				(Millions of dollars)				
Net new issues:								
Canadian dollars:								
Government of Canada — marketable securities[1]	1,813	1,340	3,481	6,352	8,728	9,592	9,452	4,173
Canada Savings Bonds	2,444	2,664	754	1,660	1,942	– 1,329	– 1,331	8,102
Total Government of Canada issues	4,257	4,004	4,235	8,021	10,670	8,263	8,121	12,275
Provinces and municipalities[2]	1,499	3,172	3,696	3,985	4,486	3,234	5,776	2,859
Corporations	1,706	2,399	1,268	3,126	3,127	1,373	1,869	1,628
Total Canadian dollar issues	7,462	9,575	9,199	15,132	18,283	12,870	15,766	16,762
Foreign currencies:								
Government of Canada	– 45	– 37	– 2	– 2	2,315	726	– 2	357
Provinces and municipalities	1,647	3,372	5,073	2,843	1,594	1,391	– 306	5,539
Corporations	242	606	2,894	2,082	1,469	1,582	2,284	4,382
Total foreign-pay issues	1,816	3,941	7,977	4,925	5,378	3,699	2,588	10,278
Total net new issues	9,306	13,516	16,880	20,057	23,661	16,569	18,354	27,040
Taken up by:								
Bank of Canada	1,002	841	572	1,853	1,741	1,708	2,339	1,343
Chartered banks	1,472	– 18	867	894	284	247	– 116	201
Non-bank holders:								
Marketable securities	1,345	6,088	6,710	10,725	14,296	11,743	14,874	7,116
Canada Savings Bonds	3,651	2,664	754	1,660	1,942	– 1,329	– 1,331	8,102
Holders of Canadian foreign pay	1,836	3,943	7,977	4,925	5,398	4,200	2,588	10,278
Total bond issues	9,306	13,516	16,880	20,057	23,661	16,569	18,354	27,040

[1] Includes Canada treasury bills.
[2] Excludes securities bought by the Canada Pension Plan.

Source: Bank of Canada and Department of Finance.

Reference Table 85
Mortgage Loan Approvals
1976 – 1981

	1976	1977	1978	1979	1980	1981
			(Millions of dollars)			
Residential						
Private lenders						
NHA	4,444	6,207	4,446	4,147	3,410	2,889
New	3,225	3,936	2,093	1,586	1,330	1,551
Existing	1,219	2,271	2,353	2,561	2,080	1,338
Conventional	5,741	8,396	9,441	9,902	8,578	6,034
New	2,515	2,685	3,324	3,983	3,173	2,656
Existing	3,226	5,711	6,117	5,919	5,405	3,378
Total private	10,185	14,603	13,887	14,049	11,988	8,923
New	5,740	6,621	5,417	5,569	4,503	4,207
Existing	4,445	7,982	8,470	8,480	7,485	4,716
CMHC	662	363	289	21	22	25
New	616	326	254	15	16	16
Existing	46	37	35	7	6	9
Total residential	10,847	14,966	14,176	14,071	12,010	8,948
New	6,356	6,947	5,671	5,584	4,519	4,223
Existing	4,491	8,019	8,505	8,487	7,491	4,725
Total public and private	12,284	17,146	16,655	17,213	14,367	10,541
Residential	10,847	14,966	14,176	14,071	12,010	8,948
Non-residential	1,437	2,180	2,479	3,142	2,357	1,593

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 86
Mortgage Loan Approvals by Private Lending Institutions[1]
1976 – 1981

	1976	1977	1978	1979	1980	1981
			(Millions of dollars)			
Chartered banks	2,844	4,690	5,182	5,513	4,792	3,375
Residential	2,810	4,605	4,977	5,209	4,464	3,117
New	1,633	1,762	1,751	1,938	1,660	1,499
Existing	1,177	2,843	3,226	3,271	2,804	1,618
Non-residential	35	85	204	305	328	258
Life companies	2,168	3,014	2,504	2,865	2,498	1,873
Residential	1,183	1,610	1,200	1,239	1,278	1,012
New	981	1,208	853	823	719	609
Existing	202	402	347	416	559	403
Non-residential	985	1,404	1,304	1,626	1,220	861
Loan, trust, etc.[2]	6,623	9,083	8,689	8,816	7,056	5,268
Residential	6,210	8,394	7,719	7,605	6,246	4,794
New	3,144	3,657	2,822	2,813	2,124	2,099
Existing	3,066	4,737	4,897	4,792	4,122	2,695
Non-residential	413	689	970	1,211	810	474
Total residential	10,203	14,609	13,896	14,053	11,988	8,923
Total non-residential	1,433	2,178	2,478	3,142	2,358	1,593
Total private	11,636	16,787	16,374	17,195	14,346	10,516

[1] Includes NHA and conventional lending.
[2] Includes loan and trust companies, Quebec savings banks, fraternal and mutual benefit societies, pension funds and mortgage investment brokers.
Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 87
Monetary Aggregates and Selected Banking System Statistics
1970 – 1981

Years	Currency and demand deposits (M1)	Currency and all chequable deposits (M1B)	Currency and all chequable, notice and term deposits (M2)	Currency plus total privately held chartered banks deposits (M3)	Currency and privately held Canadian dollar deposits	General loans	Canadian dollar major assets	Ordinary personal loans	Business loans
	(Average of Wednesdays)							(End of period)	
	(Millions of dollars)								
1970	9,023	14,715	25,580	32,175	29,022	16,377	28,296	4,935	11,442
1971	10,170	16,069	28,755	35,495	33,215	18,054	32,690	5,861	12,193
1972	11,622	18,099	31,785	40,462	39,087	22,319	39,012	7,202	15,115
1973	13,312	20,253	36,291	46,510	44,335	27,438	45,684	9,064	18,374
1974	14,549	21,405	43,554	58,014	53,137	33,618	54,751	10,774	22,846
1975	16,554	23,465	50,118	66,610	62,460	39,118	63,444	12,838	26,279
1976	17,874	24,914	56,414	78,861	73,095	46,614	74,019	15,518	31,095
1977	19,374	26,700	64,341	91,346	84,265	54,209	85,678	18,362	35,846
1978	21,317	29,040	71,200	103,839	94,292	60,582	98,309	21,170	39,410
1979	22,791	30,448	82,360	123,857	112,192	72,514	117,036	24,539	47,979
1980	24,226	31,784	97,280	141,623	130,342	87,052	133,563	27,713	59,339
1981	24,952	32,462	111,147	158,640	150,417	109,225	159,086	31,727	77,525
	(Per cent change)								
1970	2.4	−4.1	6.8	—	5.5	3.9	5.2	5.1	3.4
1971	12.7	9.2	12.4	10.3	14.4	10.2	15.5	13.3	6.6
1972	14.3	12.6	10.5	14.0	17.7	23.6	19.3	22.9	24.0
1973	14.5	11.9	14.2	14.9	13.4	22.9	17.1	25.9	21.6
1974	9.3	5.7	20.0	24.7	19.9	22.5	19.8	18.8	24.3
1975	13.8	9.6	15.1	14.8	17.5	16.4	15.9	19.2	15.0
1976	8.0	6.2	12.6	18.4	17.0	19.2	16.7	20.9	18.3
1977	8.4	7.2	14.1	15.8	15.3	16.3	15.8	18.3	15.3
1978	10.0	8.8	10.7	13.7	11.9	11.7	14.7	15.3	9.9
1979	6.9	4.8	15.7	19.3	19.0	19.7	19.1	15.9	21.7
1980	6.3	4.4	18.1	14.3	16.2	20.1	14.1	12.9	23.7
1981	3.0	2.1	14.3	12.0	15.4	25.1	19.0	14.5	30.6

Source: Bank of Canada, *Review*, monthly.

Reference Table 88
Canadian Marketable Securities
Supply of Securities and Distribution of Holdings
(Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1980[1]	1981[1]
						(Millions of dollars)					
Supply of securities											
Short-term securities											
Government of Canada treasury bills	331	556	938	561	1,602	2,350	2,673	2,282	5,451	4,505	2,135
Junior government treasury bills and notes	36	– 72	– 55	294	– 86	– 317	259	– 67	293	341	535
Other short-term paper	272	872	2,744	304	1,149	790	2,368	3,867	5,555	6,363	3,320
Long-term securities											
Government of Canada bonds	30	– 225	801	716	1,768	3,785	5,764	7,616	7,202	5,301	4,089
Junior government bonds	2,245	1,797	3,093	5,544	7,485	6,026	4,789	4,421	3,496	2,634	4,180
Bonds issued by non-financial corporations	863	750	1,457	2,112	2,132	2,028	1,563	474	2,141	1,474	3,013
Bonds issued by financial corporations	638	822	584	686	1,546	1,027	1,046	991	351	262	779
Bonds issued by public corporations	15	34	– 1	1	521	560	470	825	1,070	1,049	1,074
Stocks	659	1,288	1,266	1,687	1,171	3,011	7,923	6,203	7,100	4,606	5,831
Foreign investment	– 244	– 69	– 46	17	– 79	– 221	– 25	582	114	– 122	69
Total	4,845	5,753	10,781	11,922	17,209	19,039	26,830	27,194	32,773	26,413	25,025
Distribution of holdings											
Residents	3,652	5,047	8,898	7,041	7,665	13,466	21,943	22,791	26,287	20,755	17,688
Bank of Canada	590	608	1,103	734	637	1,749	1,706	1,606	2,242	1,397	– 72
Chartered banks	148	– 82	1,545	– 123	1,504	3,581	7,183	48	– 910	– 474	2,477
Near banks	187	65	– 52	595	523	1,340	1,155	1,281	3,234	2,754	1,897
Insurance and pension institutions	2,146	2,287	2,318	3,633	4,023	4,420	5,959	8,351	9,595	6,185	7,579
Other private financial institutions	269	– 247	712	730	1,311	772	1,315	699	1,159	1,719	1,000
Other residents	311	2,416	3,272	1,472	– 333	1,604	4,625	10,806	10,966	9,174	4,807
Non-residents	1,193	706	1,883	4,881	9,544	5,573	4,887	4,403	6,486	5,658	7,337

[1] January to September.
Source: Department of Finance and Bank of Canada.

Reference Table 89
Credit Expansion by Sector (Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1980[2]	1981[2]
						(Millions of dollars)					
Funds raised in credit markets											
By domestic private sector	11,028	17,062	21,553	19,327	23,956	27,207	34,319	43,345	43,543	30,765	44,514
(Per cent of GNP)	10.5	13.8	14.6	11.7	12.5	13.0	14.9	16.5	15.0	14.4	18.3
Loans to persons	2,338	2,709	3,058	3,099	4,175	3,311	4,813	4,936	4,972	2,640	3,699
Mortgages	4,203	6,866	7,504	7,818	10,329	13,168	16,226	13,905	10,516	7,352	6,606
Non-financial business short-term	2,073	3,901	7,277	2,666	4,896	3,694	3,980	14,718	15,053	11,819	21,790
Non-financial business long-term[1]	2,193	2,991	3,297	5,197	3,638	6,455	8,190	7,824	11,572	8,101	11,708
Short term by other private domestic	221	595	417	547	918	579	1,110	1,962	1,430	854	711
By government sector	4,354	2,773	7,831	11,456	13,603	14,673	23,156	12,532	19,259	12,317	11,186
Federal	1,556	−54	4,185	3,940	4,124	7,795	13,691	6,682	12,044	6,887	2,848
Federal enterprises	113	262	−69	647	710	510	2,534	763	1,772	1,752	3,574
Provincial	2,227	1,882	2,732	5,362	7,514	5,760	6,460	4,327	5,121	3,746	5,051
Municipal	458	683	983	1,507	1,255	608	471	760	322	−68	−287
By non-residents	875	1,953	1,621	2,674	4,049	2,569	6,196	4,160	4,567	4,706	13,172
Total	16,257	21,788	31,005	33,457	41,608	44,449	63,671	60,037	67,369	47,788	68,872
(Per cent of GNP)	15.4	17.6	21.0	20.2	21.8	21.3	27.6	22.9	23.2	22.3	28.3
Funds raised abroad	2,816	2,091	3,646	6,905	10,329	7,955	10,673	10,289	8,881	5,453	22,008
Funds raised in Canada	13,441	19,697	27,359	26,552	31,279	36,494	52,998	49,748	58,488	42,335	46,864
(Per cent of GNP)	12.8	15.9	18.5	16.1	16.4	17.5	23.0	19.0	20.2	19.8	19.2
Funds raised by Canadians	12,566	17,744	25,738	23,878	27,230	33,925	46,802	45,588	53,921	37,629	33,692
(Per cent of GNP)	11.9	14.4	17.4	14.4	14.3	16.2	20.3	17.4	18.6	17.6	13.8

[1] Bonds plus stocks plus direct investment from abroad plus bank loans.
[2] January to September.

Source: Department of Finance and Bank of Canada.

Reference Table 90
Credit Expansion by Instrument (Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1980[1]	1981[1]
						(Millions of dollars)					
Total funds raised in credit markets	16,257	21,788	31,004	33,458	41,609	44,449	63,670	60,037	67,369	47,787	68,872
Short-term instruments	6,934	9,217	14,741	12,421	16,732	12,987	22,889	21,155	28,692	20,759	36,822
Money market instruments	147	329	2,321	1,078	1,855	1,945	3,359	3,977	8,584	8,968	5,532
Bank loans	4,813	7,178	7,864	5,989	9,687	6,161	11,208	15,759	16,924	9,249	24,090
Other loans	468	1,309	2,217	1,379	1,396	2,269	3,366	3,062	3,883	2,360	2,103
Saving bonds	1,245	−437	2,367	2,927	884	1,588	2,013	−1,475	−705	−1,928	−3,386
Loans to non-residents	261	838	−27	1,048	2,910	1,024	2,943	−168	6	2,111	8,483
Longer-term instruments	9,323	12,571	16,262	21,037	24,877	31,462	40,781	38,882	38,677	27,028	32,050
Mortgages from private lenders	4,203	6,866	7,504	7,818	10,329	13,168	16,226	13,905	10,516	7,352	6,606
Marketable bonds	3,146	2,349	5,143	8,354	11,897	12,323	12,580	13,329	13,904	10,454	12,059
Equities	484	1,118	955	1,315	933	2,671	6,877	5,230	5,828	3,905	4,866
Bank loans	256	293	167	1,199	879	1,280	1,760	1,415	3,283	1,917	7,485
Direct investment from abroad	620	830	845	725	−300	475	85	675	585	805	−3,655
Loans to non-residents	614	1,115	1,648	1,626	1,139	1,545	3,253	4,328	4,561	2,595	4,689

[1] January to September.

Source: Department of Finance and Bank of Canada.

Reference Table 91
Chartered Banks (Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1980[1]	1981[1]
						(Millions of dollars)					
Total assets held with Canadians	6,410	9,398	11,398	8,892	11,695	15,318	22,008	22,060	17,134	8,848	34,052
Total Canadian dollar assets	6,511	9,221	10,267	8,330	11,190	13,084	16,786	20,917	14,519	8,184	24,872
Canadian liquid assets	337	571	1,646	185	1,509	1,821	984	1,480	– 536	– 477	1,409
Treasury bills	264	469	270	– 269	707	717	537	1,087	793	966	2,107
Other	73	102	1,376	454	802	1,104	447	393	– 1,329	– 1,443	– 698
Less liquid assets	6,174	8,650	8,621	8,145	9,681	11,263	15,802	19,438	15,055	8,661	23,463
Ordinary personal loans	1,367	1,734	1,939	2,332	2,965	2,520	2,941	3,506	3,667	2,473	2,917
Mortgages	1,086	1,170	1,459	1,677	1,383	2,663	3,416	2,896	441	362	– 1,891
Business loans	2,393	3,674	3,433	2,660	4,990	3,105	3,118	10,425	10,519	6,547	16,828
Other bank loans	563	1,131	766	990	661	276	1,457	2,416	1,195	– 80	1,978
Corporate securities	308	– 117	564	131	722	1,303	3,683	– 286	– 633	– 359	962
Other assets	457	1,058	460	355	– 1,040	1,396	1,187	481	– 134	– 282	2,669
Foreign currency loans to residents	– 101	191	1,093	557	507	1,010	2,334	1,071	2,936	981	9,195
Government of Canada	0	0	0	0	0	0	1,632	– 1,276	362	– 356	261
Others	– 101	191	1,093	557	507	1,010	702	2,347	2,574	1,337	8,934
Foreign currency securities of residents	0	– 14	38	5	– 1	1,224	2,888	72	– 320	– 316	– 15
Liabilities with Canadians	5,673	9,793	12,808	8,333	12,579	13,642	19,356	18,765	15,844	10,227	18,523
Non deposit liabilities	641	553	531	781	855	874	1,586	1,761	1,462	509	2,773
Deposit liabilities	5,032	9,240	12,277	7,552	11,724	12,768	17,770	17,004	14,382	9,718	15,750
Foreign currency deposits	– 85	1,403	2,044	– 523	1,823	871	3,297	– 559	1,031	888	– 4,573
Canadian dollar deposits	5,117	7,837	10,233	8,075	9,901	11,897	14,473	17,563	13,351	8,830	20,323
Personal savings deposits	2,166	4,655	5,185	3,448	7,241	4,470	6,580	12,688	10,729	9,338	12,976
Government of Canada	168	– 46	2,321	– 1,019	– 560	1,630	1,733	– 4,048	1,675	– 471	– 288
Demand deposits	1,286	1,378	470	2,684	– 880	2,240	1,226	453	1,220	1,062	– 1,540
Other deposits	1,497	1,850	2,257	2,962	4,100	3,557	4,934	8,470	– 273	– 1,099	9,175
Net position with non-residents booked in Canada	637	– 343	– 1,354	489	– 941	1,384	2,771	4,105	1,406	– 864	16,119
Residual claim on non-residents	100	– 52	– 55	71	57	292	– 118	– 810	– 116	– 516	– 590

[1] January to September.
Source: Department of Finance and Bank of Canada.

Reference Table 92
Other Deposit Accepting Institutions (Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1980[1]	1981[1]
						(Millions of dollars)					
Net lending or borrowing	38	16	– 10	60	39	60	52	– 41	– 91	– 84	3
Net financial investment	38	16	– 11	62	41	61	52	– 41	– 91	– 84	3
Net increase in financial assets	3,283	4,842	4,381	5,878	7,637	9,303	10,024	11,063	13,225	9,203	11,613
Currency and deposits											
Currency and bank deposits	286	304	348	– 18	367	534	291	148	265	– 86	1,529
Deposits in other institutions	82	– 46	27	331	37	77	– 25	32	160	149	279
Foreign currency and deposits	– 98	146	– 12	209	149	– 90	97	– 178	– 41	139	– 237
Consumer credit	313	467	422	545	776	701	1,165	1,100	760	591	583
Other loans	166	74	165	196	460	35	189	585	581	501	587
Government of Canada treasury bills	– 1	1	2	17	7	92	57	– 131	556	304	– 135
Finance company and other short-term commercial paper	– 81	– 51	43	61	192	501	– 316	155	1,068	967	1,160
Mortgages	2,284	3,680	3,284	3,779	4,978	6,451	6,606	8,017	7,143	4,831	5,979
Bonds											
Government of Canada bonds	55	– 127	– 48	13	40	222	440	270	543	505	115
Provincial government bonds	69	11	– 51	175	142	92	128	35	399	398	32
Municipal government bonds	41	128	– 14	115	8	37	65	– 80	– 93	– 38	– 119
Other Canadian bonds	84	66	– 43	146	65	140	184	627	661	464	777
Claims on associated corporate enterprises	6	24	89	163	213	105	187	– 4	569	138	185
Stocks	18	38	71	83	93	375	607	352	147	192	175
Foreign investments	1	– 3	4	11	0	4	19	3	50	33	– 34
Other financial assets	146	130	94	52	110	27	330	132	457	115	737
Net increase in liabilities	3,245	4,826	4,392	5,816	7,596	9,242	9,972	11,104	13,316	9,287	11,610
Currency and deposits	3,080	4,257	4,012	5,367	6,574	8,261	8,907	9,247	10,916	7,224	8,996
Loans											
Bank loans	– 2	70	– 80	3	– 18	61	69	185	– 151	– 194	691
Other loans	48	32	2	11	131	249	221	737	763	448	514
Finance company and other short-term commercial paper	0	65	82	– 85	91	52	79	74	46	234	197
Mortgages	0	0	0	0	0	21	– 32	8	20	3	– 51
Other Canadian bonds	0	185	139	134	301	155	86	172	116	147	123
Claims on associated corporate enterprises	10	42	4	46	139	36	24	23	160	152	– 1
Stocks	35	36	75	128	152	182	231	196	409	324	198
Other liabilities	74	139	158	212	226	225	387	462	1,037	949	943
Discrepancy	0	0	1	– 2	– 2	– 1	0	0	0	0	0

[1] January to September.

Source: Statistics Canada, *Financial Flow Accounts*, cat. 13-002.

Reference Table 93
Insurance Companies and Pension Funds (Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1980[1]	1981[1]
	(Millions of dollars)										
Net lending or borrowing	−67	−91	−100	−108	−144	−144	−102	−350	−461	−339	−398
Net financial investment	−67	−91	−100	−108	−144	−144	−102	−350	−461	−339	−398
Net increase in financial assets	2,836	3,608	4,072	5,021	6,502	7,510	8,896	11,257	13,149	8,860	10,255
Currency and deposits											
Currency and bank deposits	136	104	286	84	86	187	160	473	745	653	208
Deposits in other institutions	14	70	−12	−77	−2	141	17	17	1	15	76
Foreign currency and deposits	0	23	−13	−11	2	4	76	−13	2	25	28
Consumer credit	19	73	178	95	85	65	86	196	300	247	512
Trade receivables	33	−17	−3	−9	140	52	193	46	87	59	53
Other loans	−6	12	25	−16	43	−25	−18	81	161	−3	5
Government of Canada treasury bills	1	0	3	15	17	86	164	−20	218	221	59
Finance company and other short-term commercial paper	110	58	299	157	12	663	553	1,410	−176	152	1,028
Mortgages	437	943	1,193	1,300	1,962	2,451	2,153	2,275	2,045	1,499	1,732
Bonds											
Government of Canada bonds	59	−99	9	42	439	643	1,286	2,932	2,370	1,526	1,290
Provincial government bonds	466	851	557	1,163	1,273	1,558	1,994	1,586	2,284	1,470	1,572
Municipal government bonds	−34	26	35	82	100	243	143	264	227	201	221
Other Canadian bonds	529	671	923	1,356	1,034	922	1,093	654	1,501	1,192	1,184
Claims on associated enterprises	0	0	0	0	0	0	48	31	74	46	1
Stocks	988	752	503	653	968	305	433	772	2,418	1,268	1,745
Foreign investments	9	23	−8	150	180	0	143	610	622	379	313
Other financial assets	75	118	97	37	163	215	372	−57	270	214	228
Net increase in liabilities	2,903	3,699	4,172	5,129	6,646	7,654	8,998	11,607	13,610	9,199	10,653
Trade payables	0	0	0	0	0	0	17	−2	1	7	11
Bank loans	0	0	0	0	0	0	12	−28	48	123	375
Other loans	0	0	0	0	0	0	0	2	0	10	7
Mortgages	0	0	0	0	0	0	−23	34	30	12	−2
Life insurance and pensions	2,898	3,691	4,153	5,111	6,631	7,637	8,858	11,454	13,457	9,031	10,274
Claims on associated corporate enterprises	0	0	0	0	0	0	−7	−3	−42	−35	9
Stocks	5	8	19	18	15	17	8	2	1	1	51
Other liabilities	0	0	0	0	0	0	133	148	115	50	−72

[1] January to September.

Source: Statistics Canada. *Financial Flow Accounts.*

Reference Table 94
Other Private Financial Institutions (Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1990	1980[1]	1981[1]
	(Millions of dollars)										
Net lending or borrowing	267	203	204	459	629	452	411	499	320	320	105
Net financial investment	267	203	204	459	629	452	411	499	320	320	105
Net increase in financial assets	1,500	2,098	3,820	2,733	4,499	4,386	5,961	6,820	6,855	6,136	8,212
Currency and deposits											
Currency and bank deposits	87	−32	−58	213	327	120	353	1,030	−147	−384	−346
Deposits in other institutions	33	27	−40	69	−33	−18	92	−100	9	9	−108
Foreign currency and deposits	18	71	−121	75	135	64	−21	343	26	101	551
Consumer credit	286	368	159	70	62	−12	282	117	55	−246	278
Trade receivables	2	10	70	121	59	71	27	128	146	160	257
Other loans	374	753	1,715	698	644	1,449	1,470	2,384	3,455	2,332	1,960
Government of Canada treasury bills	13	−62	68	163	68	234	125	−99	680	789	116
Finance company and other short-term commercial paper	391	−325	583	278	319	−200	797	207	−364	256	−300
Mortgages	153	545	514	411	569	845	835	382	315	291	−153
Bonds											
Government of Canada bonds	3	−11	−23	−47	373	337	363	508	500	487	174
Provincial government bonds	71	66	96	179	151	131	134	94	35	21	55
Municipal government bonds	−8	49	41	47	28	97	23	10	25	6	−10
Other Canadian bonds	137	197	100	204	260	202	68	−62	−93	−45	93
Claims on associated corporate enterprises	189	337	672	675	1,116	939	899	1,820	996	857	5,138
Stocks	−314	16	−163	−86	−6	11	−160	−131	35	−26	373
Foreign investments	−215	−178	−50	−12	−64	−87	−1	154	169	100	104
Other financial assets	280	267	257	−325	491	203	675	35	1,013	1,428	30
Net increase in liabilities	1,233	1,895	3,616	2,274	3,870	3,934	5,550	6,321	6,535	5,816	8,107
Currency and deposits	0	0	0	0	27	37	29	11	14	8	24
Trade payables	23	29	33	22	48	52	58	71	−2	−1	41
Loans											
Bank loans	177	262	556	161	−212	312	120	1,238	10	−2	1,249
Other loans	207	−414	222	255	311	−223	544	−173	272	878	715
Finance company and other short-term commercial paper	342	859	1,255	202	612	916	1,687	1,757	2,697	1,716	2,406
Mortgages	13	−48	21	6	2	1	7	9	−6	−4	35
Other Canadian bonds	304	485	381	660	1,198	795	571	422	259	438	109
Life insurance and pensions	0	0	0	0	0	0	237	267	206	157	239
Claims on associated corporate enterprises	−34	234	550	220	262	354	−174	1,158	872	574	−218
Stocks	−226	24	15	291	396	509	1,276	1,145	1,092	590	2,563
Other liabilities	427	464	583	457	1,226	1,181	1,195	416	1,121	1,462	944
Discrepancy	0	0	0	0	0	0	0	0	0	0	0

[1] January to September.

Source: Statistics Canada, *Financial Flow Accounts*.

Reference Table 95
Non-Financial Private Corporations (Flows)
1972 – 1981

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1980[1]	1981[1]
						(Millions of dollars)					
Net lending or borrowing	−3,431	−4,139	−7,464	−3,218	−3,711	−4,455	−6,047	−7,303	−8,282	−5,830	−14,766
Net financial investment	−2,232	−2,711	−7,139	−4,263	−5,209	−3,712	−5,529	−8,860	−10,247	−7,122	−15,936
Net increase in financial assets	3,390	6,384	8,994	6,559	5,610	8,192	17,849	19,208	19,937	11,916	21,423
Currency and deposits											
Currency and bank deposits	58	272	477	656	859	929	1,387	−443	1,356	−309	−1,054
Deposits in other institutions	104	−109	−33	−72	66	1	296	257	−177	−103	−381
Foreign currency and deposits	54	371	−2	−207	578	−96	832	288	79	−50	−970
Consumer credit	17	109	133	96	−38	17	30	−60	−92	−9	318
Trade receivables	1,396	3,101	5,042	3,759	2,276	3,877	8,162	7,117	6,592	4,760	8,183
Other loans	8	79	97	204	−130	518	545	433	249	161	791
Government of Canada Treasury bills	−23	73	−79	16	37	−8	0	39	59	35	117
Finance company and other short-term commercial paper	165	488	−84	353	−239	245	238	1,152	1,115	572	−871
Mortgages	102	19	44	7	79	17	655	−70	63	−22	746
Bonds											
Government of Canada bonds	37	−28	−4	−6	−30	14	36	−1	−8	−11	−10
Provincial government bonds	−40	4	−49	104	−4	12	−25	−3	11	30	−32
Municipal government bonds	−11	10	1	13	−2	−11	−3	21	−68	−65	12
Other Canadian bonds	18	−29	−73	15	−19	−33	51	46	−122	−51	−255
Claims on associated corporate enterprises	973	1,177	1,967	1,194	1,452	2,595	3,768	6,935	7,041	4,591	11,605
Stocks	312	78	214	−29	23	−28	445	782	710	444	528
Foreign investments	−127	28	40	−69	1	73	160	−81	291	277	118
Other financial assets	347	741	1,303	525	701	70	1,272	2,796	2,838	1,666	2,578
Net increase in liabilities	5,622	9,095	16,133	10,822	10,819	11,904	23,378	28,068	30,184	19,038	37,357
Trade payables	1,660	2,315	4,857	2,523	1,177	2,087	5,731	6,420	6,561	2,424	3,227
Loans											
Bank loans	1,697	2,624	3,144	2,440	2,970	1,203	3,902	5,304	6,474	5,165	13,962
Other loans	278	711	569	905	720	805	924	2,041	1,616	999	2,780
Finance company and other short-term commercial paper	−238	−177	1,463	212	353	−408	477	994	11	364	1,145
Mortgages	336	320	500	332	757	410	1,257	870	1,788	1,220	2,104
Other Canadian bonds	863	750	1,457	2,112	2,132	2,028	1,563	474	2,141	1,474	3,013
Claims on associated corporate enterprises	302	173	871	661	1,103	1,410	1,466	2,026	2,836	2,241	3,686
Stocks	454	1,118	828	1,161	927	2,672	4,782	5,260	5,563	3,905	4,865
Other liabilities	270	1,261	2,444	476	680	1,697	3,306	4,679	3,194	1,246	2,577
Discrepancy	−1,199	−1,428	−325	1,045	1,498	−743	−518	1,557	1,965	1,292	1,170

[1] January to September.

Source: Statistics Canada, *Financial Flow Accounts*.

Reference Table 96
Selected Interest Rates: Canada-United States
1968-1981

Years	Canada						United States			
	Bank rate	3-month Treasury Bills	Government of Canada bonds: over 10 years	Prime corporate paper: 90 days	Bank prime lending rate	5-year conventional mortgage rate	Discount rate	Federal funds	Commercial paper: 90 days	Bank prime lending rate
	(Annual average, in per cent)									
1968	6.79	6.27	6.75	6.82	6.92	9.06	5.23	5.67	5.88	6.33
1969	7.46	7.19	7.58	7.85	7.96	9.84	5.88	8.06	8.33	8.00
1970	7.13	5.99	7.91	7.34	8.17	10.45	5.94	6.98	8.11	7.81
1971	5.19	3.56	6.95	4.51	6.48	9.43	4.83	4.66	5.17	5.69
1972	4.75	3.56	7.23	5.10	6.00	9.21	4.50	4.48	4.83	5.29
1973	6.13	5.47	7.56	7.45	7.65	9.59	6.54	8.80	8.55	8.17
1974	8.50	7.82	8.90	10.51	10.75	11.24	7.85	10.42	10.33	10.75
1975	8.50	7.39	9.03	7.94	9.42	11.43	6.21	5.84	6.26	7.73
1976	9.29	8.87	9.18	9.17	10.04	11.78	5.46	5.07	5.31	6.81
1977	7.71	7.33	8.70	7.47	8.50	10.36	5.52	5.62	5.75	6.88
1978	8.98	8.68	9.27	8.83	9.69	10.59	7.54	8.05	8.32	9.17
1979	12.10	11.69	10.21	12.07	12.90	11.98	10.38	11.32	11.44	12.79
1980	12.89	12.79	12.48	13.15	14.25	14.32	11.75	13.21	13.03	15.44
1981	17.93	17.72	15.22	18.33	19.29	18.15	13.42	15.96	15.89	18.75
	(Last Wednesdays, per cent)									
1981 J	17.00	16.86	12.96	17.25	18.25	15.17	13.00	18.12	17.20	19.50
F	17.14	16.83	13.38	17.15	18.25	15.27	13.00	14.96	15.49	18.50
M	16.59	16.44	13.48	17.00	17.75	15.75	13.00	13.48	13.99	17.00
A	17.40	17.35	15.07	17.50	18.25	16.45	14.00	16.28	16.15	17.50
M	19.06	18.43	14.96	19.00	19.50	17.82	14.00	18.71	17.86	20.50
J	19.07	18.83	15.03	19.20	20.00	18.55	14.00	19.20	16.88	20.00
J	19.89	20.29	17.07	21.25	21.00	18.90	14.00	18.54	18.21	20.50
A	21.03	20.82	16.77	22.20	22.75	21.30	14.00	17.41	18.16	20.50
S	19.63	19.35	17.66	19.60	21.25	21.46	14.00	15.00	16.58	19.00
O	18.30	17.96	16.66	18.80	20.00	20.54	14.00	14.87	15.42	18.00
N	15.40	15.07	14.32	15.40	17.25	18.80	13.00	12.42	11.56	15.75
D	14.66	14.41	15.27	15.65	17.25	17.79	12.00	12.54	13.20	15.75

Source: Bank of Canada, *Review*, Monthly.